


REPUBLIC OF KENYA



*Enhancing Accountability*

 <b>THE NATIONAL ASSEMBLY</b> <b>REPORT</b>	
<b>DATE:</b> 03 MAR 2022	<b>DAY:</b> Thurs
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**THE AUDITOR-GENERAL**

**ON**

**BUNYALA TECHNICAL AND VOCATIONAL  
TRAINING COLLEGE**

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





**BUNYALA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30<sup>TH</sup> 2020**



**BUNYALA TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2020**

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





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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**a) Background information**

The BUNYALA TECHNICAL AND VOCATIONAL COLLEGE was established under the TVET Act, 2013 on 20<sup>th</sup> June 2017 under The Ministry of Education State Department of Vocational and Technical Training. The entity is domiciled in Kenya. The establishment of the college was also as a result of the government policy mooted in 2013 to set up at least one TVET institution in every constituency in Kenya. The initial funding for the construction of technical college was by the Ministry of Education (MoE) under the mentorship of Bumbe T.T.I. Bunyala TVC's mandate is aligned with Ministry's vision, mission and objectives. Its priorities are in line with the National TVET policy and Vision 2030.

The college is located on a 5-acre piece of land along the Bumala-Port Victoria road in Busia County, Bunyala Sub-County, Budalang'i Constituency, Bunyala North Location and Budalang'i Sub-location.

The college has 6 departments which are:

1. Electrical and Electronics engineering.
2. Building and Civil engineering
3. Liberal Studies and Information Sciences
4. Business and ICT.
5. Institution Management
6. Students' affairs.

**b) *Principal* Activities**

The mandate of Bunyala TVC encompasses the following: - To provide training opportunities for innovation, transfer of relevant skills, knowledge and entrepreneurship, advancing, transmitting and enhancing technical and entrepreneurship skills and knowledge for job creation. The college offers courses leading to the award of Diploma, Craft and Artisan Certificate in TVET Programmes in collaboration with other government Institutions and appropriate industries across the sector. This mandate is domiciled in the following mission statement "Provision of a supportive environment suitable for innovation, skills development and nurturing of entrepreneurial skills". Bunyala TVC has a vision which guides our strategic plan and states as follows: offer training suitable for innovations, transfer of relevant skills, knowledge and entrepreneurship. The Vision and Mission statements are as outlined in our Strategic Plan which is still a draft form.

**c) *Key* Management**

The Bunyala TVC day-to-day management is under the following key organs:

- Board of Governors.
- Accounting officer/ Principal
- Management comprising Deputy Principal, Registrar, Dean of Students, Heads of Departments in various departments.





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**KEY ENTITY INFORMATION AND MANAGEMENT (Continued)**

**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:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Principal	Mr. Wamalwa Emmanuel
2.	Deputy Principal	Mr. Oduory Keffa Musumba
3.	Registrar	Mr. Winslaus Otunga
4.	Dean of Students	Mr. Henry Omany
5.	Head of Finance	Ms. Immaculate Namwakira
6.	Head of Procurement	Mrs Waore Evaline

**e) *Fiduciary* Oversight Arrangements**

<b>Name of the Committee</b>	<b>Name</b>	<b>Member</b>
Finance , Planning and Development	Eng. Aloyce Achoka. Mrs. Caroline Wanyama Mr. Emmanuel Wamalwa	Chairman Member Member
Academic, Human Resource Welfare	Prof. Okumu Bigambo Wilphredian Mrs. Alice Keboga Mr. Emmanuel Wamalwa	Chairman Member Member
Audit Committee	Mr. Peter Mudy Mrs. Pauline Nagila	Chairman Member





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f) *Entity Headquarters*

Bunyala TVC  
P.O. Box 104-50410  
Off Bumala-Port Victoria Road  
Port Victoria, KENYA

g) *Entity Contacts*

Bunyala TVC  
Telephone: (254) 758850414  
E-mail: [bunyala@gmail.com/info@bunyalatvc.ac.ke](mailto:bunyala@gmail.com/info@bunyalatvc.ac.ke)  
Website: [www.bunyalatvc.co.ke](http://www.bunyalatvc.co.ke)

h) *Entity Bankers*

KCB Bank Kenya Ltd,  
P.O Box 271-50410,  
Port Victoria, KENYA

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





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**II. THE BOARD OF GOVERNORS**



**.MR FRANCIS RAMBUI:**  
**Mr Rambui is chairman of the Board of Governors**

Mr. Francis Rambui was born 4th of January, 1982. He is a holder of MBA in Entrepreneurship and a Bachelor's degree in Education (sciences – Mathematics and Physics). He has more than four years' experience as a branch manager with KCB Kenya Ltd, currently at K.C.B Kilgoris Branch and previously at KCB Port Victoria branch and has managed to move both branches from lower level to higher level. He had a two year experience as a Relationship Manager (K.C.B United Mall Kisumu and K.C.B Kisii West Branch) where he managed to triple the number of customers hence increasing the account numbers, deposits, and loan disbursements and hence increase in profit margins. He has a year experience as an Assistant Manager, Business Banking at K.C.B Kisii Branch where he increased the loan portfolio, created excellent customer service and strong front office team and has held various post in various disciplines as follows: Bulk Teller, Credit Administrator and Personal Banker at KCB Kisii branch. He was also a Sales Representative at K.C.B Nyamira. He started off as a teacher at Riokindo High school, teaching mathematics and physics.



**2). Prof. Wilphredian Okumu-Bigambo**  
**He's B.O.G Member**

Prof. Wilphredian Okumu-Bigambo, was born on 22nd of September 1957, He is a Professor (Associate) of Communication and Public Relations in Human Resource Management, Postgraduate Diploma in Education and Bachelor of Arts (Literature in English, History and Kiswahili). He has 27 and above years of experience as a teacher-Talai High School (Kabarnet), Kisoko Girls High School and St. Peters Mumias High School, lecturer – Siriba Teachers College, Assistant lecturer-Moi University, Senior lecturer- Moi University and currently associate Professor –Moi University and a Corporate Communications Consultant Handling Government, Institutions and Organizations' consultancy tasks, being Lead consultant for 3D Africa Communication Ltd and many more. He has mentored/supervised and graduated many students with doctor of Philosophy, Master of science/Art and bachelors of science/Arts in communication Studies, Human Resource Development, Education, MBA, Literature and as External Examiner, examined Doctoral and Master thesis.





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	Excellentlly written and still writing several publications.
 <p>3). Mrs Pauline Mourine Nagila. She is the B.O.G member</p>	<p>Mrs Pauline Nagila was born on 4th August 1966, She's a holder of bachelor's degree in education (Kiswahili and Religious studies) and corticated in P1, She's a qualified trained and experienced teacher and has a strong bias in advocacy and resources mobilizer through forming youth and women community based organizations, She has served in as a consultant with various organizations on issues of gender based violence, reproductive health, gender and governance, democratizations, devolution, gender mainstreaming, leadership, peace and security, national government affirmative action fund. through the organizations of Kenya WOMEN Parliamentarian Association(KEWOPA) UN Women, Shadow Parliament, Centre for Multiparty Democracy, Maendeleo ya Wanawake among others</p>
 <p>4). Mrs Alice Keboga She's the B.O.G member</p>	<p>Mrs Alice Keboga was born on 24th of November 1979,she's a holder of Bsc course in Community Health and Development, Diploma in nursing and several short courses i.e. Health system research, HTS new guidelines(2015), Peer Educator (sex worker), Family Planning and Post Abortion Care, Tuberculosis and HIV collaboration, Malaria case management, Essential neonatal care, Comprehensive care of HIV/AIDS infected with special emphasis on anti-retroviral therapy, Infant and young child feeding, Couple HIV counselling and testing, Integrated management of adult and adolescent illnesses, Prevention of mother to child transmission of HIV/AIDS, She has more than 13 years of experience as a nurse I/C maternity-Port Victoria Hospital, Nurse manager in Comprehensive care centre, coordinator HIV/AIDS prevention activities and currently county HTS officer-Ampath-Prevention</p>



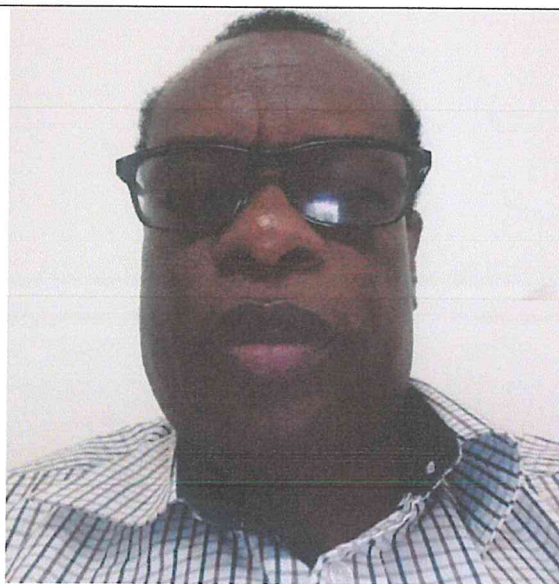


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5). Eng. Achoka Aloyce Luduba  
 He's the B.O.G Member

Eng. Achoka Aloyce Luduba was born 15th April 1969. He's a holder of M Sc Information Systems, B.Sc. Civil Engineering, Certificate-GIS( Thunder & Associate), Project Management, Mr Luduba has more than 24 years of experience as an Engineer in charge of construction materials estimation and costing- Mistry Jadv Parbat General Contractors, Engineer in charge of water supply and sanitation systems design-H.P Gauff Consulting engineer, Geographic Information Systems(GIS) Specialist in charge of digitizing coding Somalia Land cover -FAO Afri-Cover Project, GIS Officer in charge of geospatial data collection, analysis and production of spatial information on Food Security-WFP-Food Security Assessment Unit-Somalia, Information Management Officer in Charge of information/data collection, collation, analysis and dissemination and in charge of geospatial data management and maps production-United Nations Office for the Coordination of Humanitarian Affairs- Somalia Nairobi ,Kenya, Consultant: Building and civil engineering works and mapping/GIS and currently Facilities/Building Manager ;The Church of Jesus Christ of Latter-day Saints.

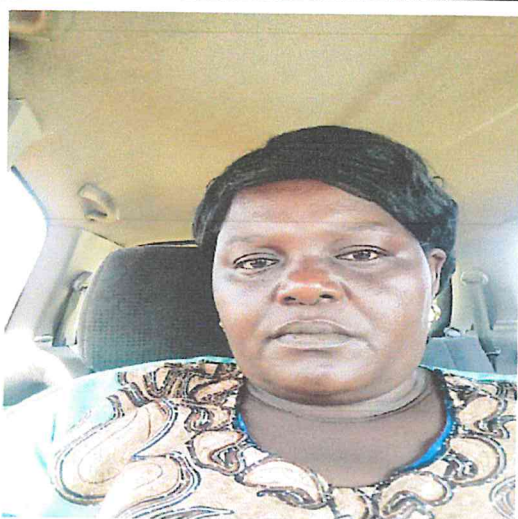


6) Mr. Peter J. Mudy, B.O.G Member.

Mr Peter J. Mudy was born on 27th of September 1960. He's a holder of Ph.D Research on Sustainable Development, Masters in Community Development and bachelor of Arts in Business Administration. He has 37 and above years as a teacher teaching professional Kenya Government, Education Coordinator-ICS Netherland fund project in Kenya and currently working with Anglican Development service-western Kenya, He has done great research and publications on socio-cultural belief and practice inhibiting change among Bakhayo men in Era of HIV and AIDS and written papers on the effect of HIV and AIDS on small micro-enterprise case study in Sio-Port Beach Lake Victoria, The plight of people living with HIV in western Kenya, The challenges of parenting in the era of HIV and AIDS.



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7) Mrs. Carolyn N.A. Wanyama

Mrs. Carolyn N.A Wanyama was born on march 1972. She holds (BSC) Degree of Bachelors of Science (Agriculture and Human Ecology Extension), Diploma in General Agriculture and Certificate in General Agriculture. She has more than 24 years of experience as Field Assistant, Field Officer- Nzoia Sugar company LTD and currently working at Kenya Agricultural Research Institute (KARI) as Location Field Officer- Macadamia Project- key achievement is training farmers on good productivity both in production of sugar can and macadamia, coordinating and creating good relationship between the farmers and both companies- Nzoia sugar company ltd and KARI.



8). Ms. Martha Wekesa  
County Director TVET – Busia/Bungoma

Ms. Martha Wekesa was born on 1966. She holds a Master of Science and a Bachelor's degree in Food science technology. She also holds a Post graduate diploma in Education. She has undergone training in Senior Management and Strategic Leadership by Kenya School of government. She served as a lecturer at Mombasa National Polytechnic and Friends College Kaimosi where she served for over 10 year before joining the Public Service Commission. In 2015 she was deployed as the County Director TVET.





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9). Mr. Emmanuel Biketi Wamalwa  
Principal & Secretary BoG



Mr Emmanuel Biketi Wamalwa was born on 11<sup>th</sup> September, 1973. He's a holder of Master of Education (Guidance and Counselling), Bachelor of Education (Technology Education), Diploma in Education Management and Senior Management Course (SMC) by Kenya School of Government. Mr. Wamalwa has more than 23 years of experience during which time he has been a deputy principal (Bumbe T.T.I), Registrar (Bumbe T.T.I), Industrial attachment coordinator, Performance Contracting Coordinator, and current Principal/B.O.G Secretary and the Chief Accounting Officer of Bunyala T.V.C. He excellently performed in academics and co-curricular activities while at Bumbe T.T.I as well as at Bunyala T.V.C where he led Bunyala TVC ladies volleyball team to clinch both the regional and national trophies in the sport. His vision is raising the standard in innovations, financial management and general administration of TVET institutions in Kenya while adhering to the TVET Act, 2013.





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**III. MANAGEMENT TEAM**

PASSPORT SIZE PHOTO	KEY RESPONSIBILITY
 <p><b>EMMANUEL B. WAMALWA</b>  Masters Education (Counselling Psychology)</p>	<p>PRINCIPAL/BOG SECRETARY</p>
 <p><b>MR. ODUOR KEFFA MUSUMBA</b>  Bachelor of Education, Diploma in Education  management and Information &amp; communication  Technology</p>	<p>DEPUTY PRINCIPAL</p>



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 <p>IMMACULATE NAMWAKIRA</p>	<p>FIANANCE OFFICER</p>
 <p>EVALINE WAORE</p>	<p>PROCUREMENT</p>





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**IV. CHAIRMAN'S STATEMENT**

Bunyala Technical and Vocational College is one of the vocational colleges instituted by the government to marshal skills development in support of implementation of the Big Four agenda and attainment of Vision 2030. Our vision is providing training opportunities for innovation, transfer of relevant skills, knowledge and entrepreneurship, advancing, transmitting and enhancing technical and entrepreneurial skills for job creation. The college has progressively grown during the year in the following areas:

- i) **Enrolment:** The College has steadily risen from 277 trainees to 352 in the Financial Year 2019/2020. We are projecting to have the enrolment almost double in the FY 2020/2021.
- ii) **Recruitment of Trainers:** We managed to recruit trainers in three different batches in which we shortlisted, interviewed and recruited a total of 21 trainers. 2 trainers failed to turn up because of being recruited in other institutions. The Human Resource Department is working on the process of having us get suitable replacements. We successfully held meetings to approve all shortlisted and recruited applicants for the post of Technical Trainers.
- iii) **Survey of college land:** We undertook a fresh survey of the college land and managed to recover the portion of land that had been hived off erroneously, almost half an acre.
- iv) **The board continues to liaise with stakeholders and would be sponsors to help raise funds to meet the ever growing needs of the college.**

The board, we are interested in producing top notch trainees who are innovative and ready to change lives once released from the college. We support any initiative by the students and teachers to innovate and bring change through what they learn in class, workshops and in their day to day engagements. We have also supported all their co-curricular activities to spot and nurture any talents exhibited by the learners. This is evident from their recent triumph of the regional and national championship of the women volleyball competition

**Challenges:**

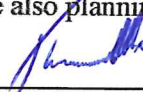
The college has been without a fence and no steady supply of water. The two projects had been allocated to the Constituency Development Fund (CDF) as their contribution to the project. The lack of a fence has exposed the college to a high level of insecurity. The lack of water also exposed the trainees and staff to health risk. However, the administration made arrangements to be buying water delivered by trucks on a weekly basis.

**Tractor shed** – the college received farm machinery and equipment donated by AVIC, the Chinese firm, through the Kenya government. We have not been able to shelter our farm machinery due to inadequate funds to enable us put up a shed for them. This has an estimated cost of ksh. 1.4 million. There are plans to mobilise funds to improve our infrastructure, this tractor shed being one of them.

**Projections for the future**

The board has put in place plans to construct a fence using money collected from fees, income generating activities (IGAs) and funds mobilised from other sources. This is expected to be started at the beginning of the new financial year.

The board has also planned to procure a water bowser to help mitigate the problem of buying water using hired trucks. We are planning to procure water tanks to be installed at various points within the compound. We are also planning to undertake plumbing works to distribute water within the compound.

  
\_\_\_\_\_  
Sign: Chairman BoG



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**V. REPORT OF THE PRINCIPAL**

The college has recorded marked improvements across the board despite a few technical challenges that will be highlighted later. The following are the areas of improvement: -

- i) **Enrolment:** The college has steadily grown its enrolment from 277 trainees to 352 in the Financial Year 2019/2020. We have admitted trainees from within the sub county and beyond. We have made arrangements with the community who have constructed hostels for our trainees. This has enabled us to admit trainees from far with the assurance of accommodation. There are more hostels coming up in the neighbourhood, a move that is likely to help propel our enrolment to double the current number in one year's time.
- ii) **Recruitment of Trainers:** We managed to recruit trainers in three different batches in which we shortlisted, interviewed and recruited a total of 21 trainers. 2 trainers failed to turn up because of being recruited in other institutions. The Human Resource Department is working on the process of having us get suitable replacements. We successfully held meetings to approve all shortlisted and recruited applicants for the post of Technical Trainers. Currently, we also have 14 trainers who are being paid by the board of governors. This indicates the need for more to be hired by the Public Service Commission.
- iii) **Survey of college land:** The land was surveyed by the CDF immediately after buying it. However, the physical demarcation was erroneous and called for a fresh survey to mark the exact boundary. Owing to this, we undertook a fresh survey of the college land and managed to recover almost half an acre that had been hived off erroneously.
- iv) **Financial Performance**  
The increased number of trainees had been projected to help raise the annual revenue substantially. This did not happen considering that close to 100 trainees did not succeed to get loans from the Higher Education Loans Board which the board cited that demand for the loans had been higher than the budgetary allocation. The fourth quarter capitation was also not allocated due to the fact that trainees were not in college due to COVID-19 pandemic.

**Challenges:**

**Fence:** The college has been without a fence from the time it was established. Lack of sufficient funds has been negating our effort to construct one. The construction of a fence and a gate had been allocated the CDF by the National Government. However, the CDF Budalang'i did not accept to carry out this function due to some technical issues better known to them. The lack of a fence has exposed the college to a high level of insecurity. We have factored the construction of the fence in our budget for FY 2019/2020 but was not actionable due to

and no steady supply of water. The two projects had been allocated to the Constituency Development Fund (CDF) as their contribution to the project. The lack of water also exposed the trainees and staff to health risk. However, the administration made arrangements to be buying water delivered by trucks on a weekly basis.

During the last rain season, Bunyala Sub-County experienced a very heavy downpour leading to serious flooding that displaced an estimated 5,000 families. Our college played host to 200 families, a corporate social responsibility action that came with costs. The main costs included the need for repainting of the main building, repair of some parts of the building, replacement of lost items, etc. In addition, the



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location of the college at the bottom of Samia slopes has proved to be a nightmare because of heavy flooding. The management has plans to source for funds to help to construct a drainage system to mitigate against the problem. This might be achieved in the FY 2020/2021.

**Projections for the future**

The board has put in place plans to construct a fence using money collected from fees, income generating activities (IGAs) and funds mobilised from other sources. This is expected to be started at the beginning of the new financial year, 2020/2021.

The board has also planned to procure a water bowser to help mitigate the problem of buying water using hired tracks. We are planning to procure water tanks to be installed at various points within the compound. We are also planning to undertake plumbing works to distribute water within the compound.

We have factored in the budget the fitting of gutters on the roof of the main building to help increase the volume of water that the college can get. This will also help reduce soil erosion and flooding within the compound. Flooding is one of the biggest menaces that Bunyala TVC faces and the biggest risks faced by the college at one given time.

In order to increase the college's visibility, there are plans to involve the office of the president i.e. the chiefs and other village leaders within the county to mobilise recruitment of trainees. We have also put in place plans to construct a modern gate and perimeter wall at the front face of the college.

The increase in enrolment is causing pressure on the infrastructure due to shortage of classrooms



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Sign: Principal/Secretary BoG





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**VI. REVIEW OF BUNYALA TVC PERFORMANCE FOR THE FY 2019/2020**

In the FY 2019/2020, Bunyala TVC had not yet developed a strategic plan and, therefore, didn't have Strategic Pillars.



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**VII. BUNYALA TVC CORPORATE GOVERNANCE STATEMENT**

Bunyala TVC derives its strength and direction from its mission which is to attract and empower trainees in Science, Technology and Innovation for the purpose of transferring relevant skills. The college is governed by the Board of Governors which was constituted in line with the TVET Act, 2013 duly appointed by the Cabinet Secretary in the Ministry of Education to serve for a period of three years.

**Functions of the Board of Governors as set out under section 28 (1) of the TVET Act, 2013 shall include**

The function of the board is clearly outlined in the TVET Act, 2013 (V)-29 and includes the following: -

- i) Overseeing the conduct of education and training in the institution in accordance with the provisions of this Act and any other written law
- ii) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this act and any other written law.
- iii) Administering and managing the property of the institutions
- iv) Developing and implementing the institutions strategic plan
- v) Preparing annual instruments of revenue and expenditure for the institution and incurring expenditure on behalf of the institution
- vi) Receiving on behalf of the institution fees, grants, subscriptions, donations, bequests or other monies and to make disbursements to the institution or other bodies or persons.
- vii) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this act.
- viii) Mobilising resources for the institutions
- ix) Developing and reviewing programmes for training and to make representations theorem to the board
- x) Regulating the admission and exclusion of students from the institutions subject to a qualifications framework and the provision of this act
- xi) Approving collaborations or associations or other institutions and industries in and outside Kenya subject to prior approval by the board
- xii) Recruiting and appointing trainers from among qualified professionals and practicing trades persons from relevant sectors of industry
- xiii) Determining suitable terms and conditions of service for support staff, trainers and instructor and remunerating the staff of the institution
- xiv) Making regulations governing the institution, conduct and discipline of the staff and students
- xv) Preparing comprehensive annual reports on all areas of their mandate including education and any service and submitting the same to the board
- xvi) Providing for the welfare of the students and staff of the institutions.
- xvii) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution
- xviii) Discharging all other functions conferred upon it by this act or any other written law.

The second schedule of the TVET Act allows the Cabinet Secretary to appoint members of the Board of Governors consisting of not less than seven and not more than nine members. The Cabinet Secretary in the Ministry of Education appointed the following as chairperson and members with effect from 5<sup>th</sup> October 2019. Mr. Francis Rambui – Chairman; Prof. Wilphredian Okumu Bigambo; Engineer Alloys Achoka Luduba; Ms. Carolyne Wanyama; Mrs. Pauline M. Nagila; Ms. Alice Keboga and Mr. Peter Mudy. Other members of the board include the County Director of TVET (representative of the Principal Secretary); The board was inaugurated on 5<sup>th</sup> February 2019.





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The members were appointed to represent the following key areas as outlined in the TVET Act, 2013: -

- (a) A chairperson;
- (b) A representative of the Principal Secretary in the Ministry responsible for technical and vocational training;
- (c) A representative of the county Governor of the county within which the institution is located and,
- (d) Six other persons appointed on the basis of their knowledge and experience in: -
  - i) Leadership and management;
  - ii) Financial management;
  - iii) Technology;
  - iv) Industry;
  - v) Engineering;
  - vi) Information communication Technology

The governor of Busia is not represented in the Bunyala TVC board because the governor has never appointed his representative despite numerous visits to his office to follow up on the matter. This has made the Bunyala TVC to maintain a number of 8 members instead of 9 with the Principal as the Secretary.

**Board Meetings:**

The Board meets at least once quarterly or more often in accordance with exigencies of business. The Board work plan and calendar of meetings is prepared in advance. Adequate notice is given for each board meeting, the agenda and board papers are circulated in good time. The Board held 6 meeting in the financial year ending 30<sup>th</sup> June 2020. During these meetings the Board reviews the College's performance against the planned strategies and also approves issues of strategic nature.

The attendance at the board meeting during the financial year 2019/20 was as follows:

<b>Member Name</b>	<b>Meetings Held</b>	<b>Meetings Attended</b>	<b>% Attendance</b>
1) Mr. Francis Rambui - Chairman	6	6	100%
2) Prof. Wilphredian Okumu Bigambo	6	4	66%
3) Mr. Peter Mudy	6	6	100%
4) Ms. Carolyne Amusin Wanyama	6	4	66%
5) Eng. Aloyce Achoka Luduba	6	5	83%
6) Ms. Alice Keboga	6	6	100%
7) Ms. Pauline Nagila	6	6	100%
8) Mr. George Olewe	6	5	83%

**Remuneration of BoG members**

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



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Below is a summary of entitlement per Board Member

Type of payment	Chairman	Member	Remark
	Allowance	Allowance	
Sitting allowance (per meeting)	15,000	12,000	
Transport allowance	5,000	5,000/3,000	Depends on distance
Lunch allowance	SRC rates	SRC rates	SRC Rates
Accommodation allowance when travelling for official college assignments both inside and outside Kenya	SRC rates	SRC rates	SRC rates

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





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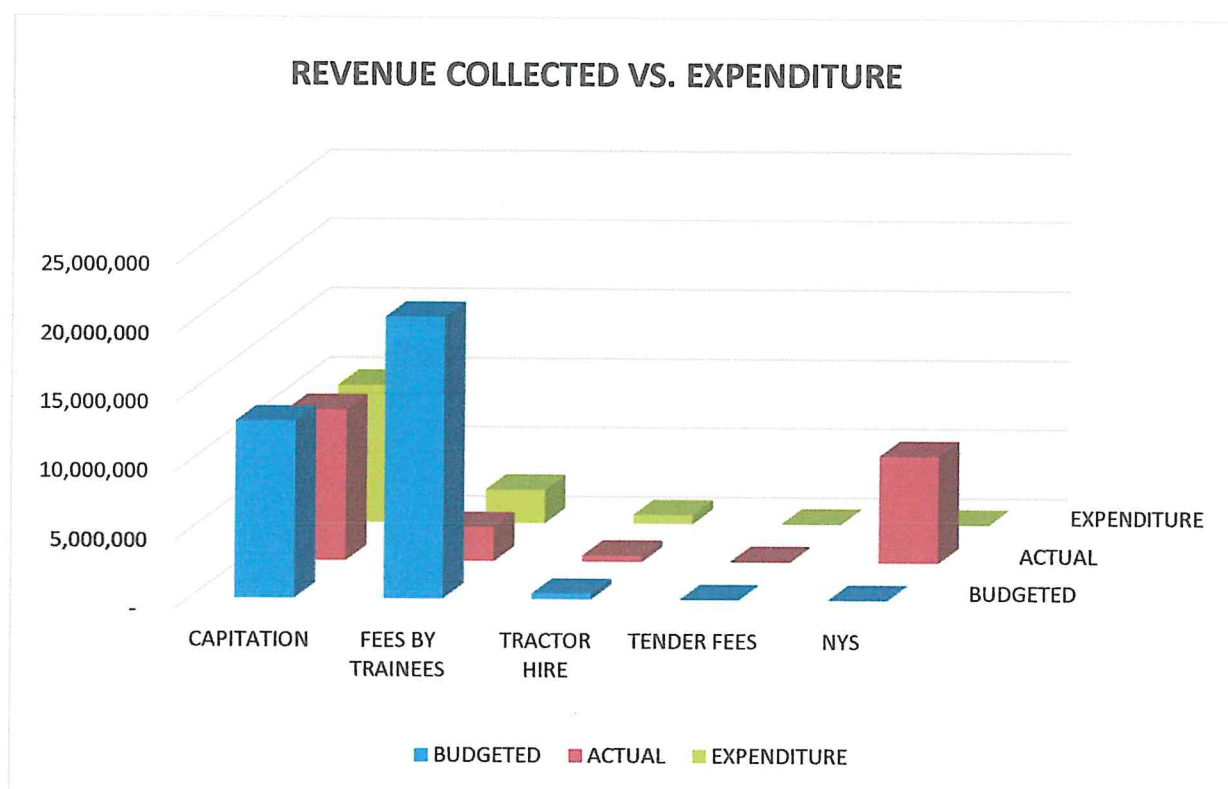
**VIII. MANAGEMENT DISCUSSION AND ANALYSIS**

Bunyala TVC has steadily been making progress both financially and infrastructure wise though at a slow pace. The year ended June 30<sup>th</sup> 2019 was filled with a lot of challenges especially because of the COVID-19 pandemic. This disease caused a nationwide lockdown that resulted in learning institutions closing down for a period of 7 months. All staff save the top management were at home and there were no official engagements at the institution.

**A. Operational and Financial Performance**

In the Financial Year 2019/2020 the college realised a total revenue of kshs. **21,767,926** (twenty-one million seven hundred sixty seven thousand, nine hundred twenty six). This amount includes receivables from non-exchange transactions of kshs. 2,160,000 (two million one hundred sixty thousand) broken down as (students fee kshs. **7,731,400** – disbursement from the National Youth Service as fees, **ksh 2,646,775** – as fees from trainees, **ksh. 437,900** – sale of goods and services-tractor hire, **ksh 4,593,851** as capitation and **ksh 46,000** income from other sources-sale of masks, Bumbwe T.T.I disbursed **ksh. 4,155,000** as money received by the entity on behalf of Bunyala TVC being capitation from the Ministry.

The total expenditure was **ksh. 16,373,853** that represented 75.22 % of the total revenue. The low percentage on budgetary utilization was informed by the late receipt of disbursement from the National Youth Service (NYS) which was received on 30<sup>th</sup> June 2020.





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*Fig 1. Financial Performance Chart FY 2019/2020*

**B. Statutory Compliance**

Bunyala TVC complied with all the Statutory requirement during the Financial Year 2019/2020.

**C. Key Projects or investments decision implemented**

i) Improvement of access road to the college and the community

The board managed to improve the college access road and one community access road through grading. This was done using the grader hired from the county government of Busia. Bunyala TVC complied with government regulations on remittance of statutory deductions within set timelines. We were able to remit all the statutory deductions and we did not have any arrears at the end of the financial year.



Trench/Drainage

**Fig. 2 Drainage for clearing flooding water from the hills behind the college**





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Fig 3. College access road from the main road.





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Fig 4. Community access road from the main road

However, the college faces risks associated with the following:

- i) Floods – The college is located at the foot of the Bunyala hills that leads to hazardous flooding through the classes and workshops during rainy seasons. This is high risk that in most cases interferes with smooth learning. It also exposes machines, tools and equipment to the risk of rusting if proper and timely care is not taken.
- ii) Poverty – Budalang'i constituency has a high poverty index. This is a risk attributed to low fees collection current and forecasted. This also has led to high drop-out rate among trainees. Owing to poverty, girls end up getting into early marriages.
- iii) Pandemic/Endemic – Bunyala sub county is located in an area prone to water borne diseases such as cholera, HIV/AIDs, typhoid and malaria. These diseases pose a high risk to the stable status of health for the staff and trainees of the college.
- iv) Lack of internet connectivity – The college does not have internet services despite the fact that the fibre optic cable snakes through its land to the Deputy County Commissioner's office which is located about 3.5 km away. We have written to the ICT authority but no response has been given to us as far this genuine request is concerned. However, we have been trying to mitigate this risk by utilising available alternatives such as modems and smart phones.



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The main function of training was largely interfered with by the long stay away from college. However, management encouraged trainers to engage trainees using available online softwares such as zoom, TMS and even whatsapp. The college registered with the zoom to enable trainers utilise the online service for training. The greatest challenge with this method was and still is that most trainees are not able to either afford smart phones or bundles to enable them link up and attend classes whenever required to do so. It is important to note that training took place despite the challenges mentioned. In addition, the college was able to acquire some key training tools and equipment in technical departments i.e. Electrical Engineering, Automotive engineering, Building and Civil engineering and Institutional management comprising food and beverage and hair and beauty therapy. This has enabled us to continue expanding our training equipment as well as improving the quality of training.





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**IX. REPORT OF THE BOARD OF GOVERNORS**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2020 which shows the state of the Bunyala TVC affairs.

**Principal activities**

The principal activities of Bunyala TVC were (continue to be) training in technical and business programmes as well as co-curricular activities which include sports and related recreational activities. The college also got engaged in sensitization of the masses on the COVID-19 protocol.

**Results**

The results of the entity for the year ended June 30 are set out on pages 1 - 5



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**X. BOARD OF GOVERNORS**

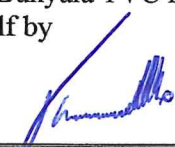
The members of the Board who served during the year are shown on pages iv - viii (All the members are on board and none has neither resigned/retired nor been appointed in other capacities.

**Auditors**

The Auditor General is responsible for the statutory audit of Bunyala Technical and Vocational College in accordance with **Article 229 of the Constitution of Kenya 2010 and the Public Audit Act, 2015** nominated by the Auditor General to carry out the audit of the entity for the year/period ended 30<sup>th</sup> June 2020 in accordance with **Section 23 of the Public Audit Act 2015**.

**Approval of the Annual Financial Statements**

The Bunyala TVC Financial Statements were approved by the Board of Governors and signed on its behalf by

  
\_\_\_\_\_  
Chairman BoG  
\_\_\_\_\_  
Secretary BoG

By Order of the Board

Bunyala Technical and Vocational College  
Principal/B.O.G Secretary  
P.O. Box 104-50410,  
Port Victoria.  
Date:.....15/9/21..



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**XI. STATEMENT OF BOARD OF GOVERNORS MEMBERS' 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 Bunyala Technical and Vocational College, which give a true and fair view of the state of affairs of Bunyala Technical and Vocational College at the end of the financial year/period and the operating results of Bunyala Technical and Vocational College for that year/period. The board members are also required to ensure that Bunyala Technical and Vocational College keeps proper accounting records which disclose with reasonable accuracy the financial position of Bunyala Technical and Vocational College. The board members are also responsible for safeguarding the assets of the Bunyala Technical and Vocational College


The board members are responsible for the preparation and presentation of Bunyala Technical and Vocational College financial statements, which give a true and fair view of the state of affairs of Bunyala Technical and Vocational College for and as at the end of the financial year (period) ended 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 Bunyala Technical and Vocational college (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The board members accept responsibility for Bunyala Technical and Vocational College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*)- The board members are of the opinion that Bunyala Technical and Vocational College financial statements give a true and fair view of the state of Bunyala Technical and Vocational College transactions during the financial year ended June 30, 2020, and of the financial position as at that date. The members further confirm the completeness of the accounting records maintained for Bunyala Technical and Vocational College which have been relied upon in the preparation of Bunyala Technical and Vocational College financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The Bunyala Technical and Vocational College financial statements were approved by the Board on 29/5/2021 and signed on its behalf by:

  
.....  
Chairperson of the Board of Governors

  
.....  
BoG member





# REPUBLIC OF KENYA

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Monrovia Street  
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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON BUNYALA TECHNICAL AND VOCATIONAL TRAINING COLLEGE FOR THE YEAR ENDED 30 JUNE, 2020**

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

#### **Disclaimer of Opinion**

I have audited the accompanying financial statements of Bunyala Technical and Vocational Training College set out on pages 1 to 20, which comprise the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### **Basis for Disclaimer of Opinion**

##### **1. Failure to Submit Financial Statements And Account for Prior Period Operations**

The key entity information by Management indicates that the College was established on 20 June, 2017. However, the College Management did not prepare and submit for audit review, the annual reports and financial statements for the years prior to year ended 30 June, 2020 in line with Section 29 (2) of the Technical and Vocational Education and Training Act, 2013 which provides that within a period of four months from the end of each financial year, a Board of Governors shall submit to the Auditor-General or to an auditor appointed under the section, the accounts of the institution.

In addition, the statement of changes in net assets for the year ended 30 June, 2020 reflects retained earnings amounting to Kshs.3,234,073 as at February, 2019, and transfers of depreciation and amortization from capital fund to retained earnings amounting to Kshs.2,765,974. Similarly, bank statements for bank accounts operated by the College reflect opening balances brought forward from prior period amounting to Kshs.804,562. However, the financial statements presented for audit review relate to the year ended 30 June, 2020, and do not reflect comparative balances for the prior periods.



## 2. Presentation of the Financial Statements

Review of financial statements and information thereon revealed presentation anomalies as outlined below:

- i. The statement of compliance and basis of preparation in paragraph 2 of the notes to the financial statements does not indicate the specific areas involving a higher degree of judgement or complexity, or where assumptions and estimates significant to the financial statements or the note where they are disclosed.
- ii. Paragraph 3 of the notes to the financial statements on adoption of new and revised standards, contains an explanation on public sector combinations and amalgamations. However, the information appears irrelevant since there is no explanation or linkage on how it will affect the college or its application in the financial statements represented for audit.
- iii. The summary of significant accounting policies contains a section with disclosures which have no relevance to the nature and operations of the College such as Note 4 a(ii) Rendering of Services - Students Fees and which has nothing to do with stage of completion and measurement in reference to labour hours.
- iv. The college has not disclosed in an annex the ongoing projects as required by the reporting format prescribed by the Public Sector Accounting Standards Board (PSASB).
- v. The statement of financial performance has been prepared on cash basis since the reflected amounts that are the same as those in the statement of cash flows.

Consequently, the financial statements have not been prepared in accordance with Section 81 of The Public Finance Management Act, 2012, which requires accounting officers to prepare financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

## 3. Revenue from Exchange Transactions

The statement of financial performance reflects rendering of service - fees from students amounting to Kshs.2,646,775. However, fees payments summary reports generated from the College management information system used in recording of receipts reflect the total receipts amounting to Kshs.3,040,220 resulting in an unexplained variance of Kshs.393,445.

In addition, system reports indicated that four hundred and fifty-seven (457) receipts issued during the year ranged from No 0478 to 0916. However, one hundred and nine (109) receipts or 24% of the total receipts were not accounted for. Further the system had not captured the students' fees invoices and as such, the student records could not provide details of fees arrears or prepayments if any.

In the circumstances, the accuracy and completeness of the rendering of services - fees from students amount of Kshs.2,646,775 for the year under review was not confirmed.

#### **4. Unreconciled Total Expenditure**

The statement of financial performance for the year under review reflects total expenditure amounting to Kshs.16,373,853. However, expenditure ledger reports extracted from the College Management Information System reflected total expenditure amounting to Kshs.12,733,180 resulting in a variance of Kshs.3,640,673 which was not explained or reconciled. Additionally, the system expenditure reports indicated payment descriptions which were different from the classification in the financial statements making it difficult to relate the system reports to the financial statements.

Further, analysis of the payments in the information system revealed that of the nine hundred and sixteen (916) payment vouchers recorded during the year under review, ranging from 001 to 916, had missing records involving 113 vouchers or 12% of the total number of vouchers which could not be accounted for. No explanation was provided for the number of vouchers not accounted for.

In the circumstances, the accuracy and completeness of the total expenditure amounting to Kshs.16,373,853 incurred during the year under review could not be confirmed.

#### **5. Refundable Deposits from Customers (Caution Money)**

The statement of financial position reflects refundable deposits from customers (caution money) amounting to Kshs.58,900. However, the deposit register together with the schedule showing the details of those owed the amounts was not provided. In addition, the College had three hundred and twenty-one (321) students as at 30 June, 2020, and if each student had paid Kshs.500, the account would reflect Kshs.160,500.

Consequently, the accuracy of the refundable deposits from customers (caution money) amount of Kshs.58,900 could not therefore be confirmed.

#### **6. Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment valued at Kshs.54,760,520. However, the amount is detailed in Note 18 to the financial statements and not in Note 19 as indicated. In addition, Note 18 containing an assets movement schedule has not been prepared according to the format prescribed by the Public Sector Accounting Standards Board (PSASB), and lacks appropriate classification of the assets, cost, depreciation and net book values. Further, there was also no policy disclosed in the financial statements on asset depreciation showing the applicable depreciation method and rates for each class of asset.

Consequently, the accuracy of the property, plant and equipment book values amounting to Kshs.54,760,520 could not be confirmed.

## **7. Unreconciled Cash and Cash Equivalents**

The statement of financial position reflects cash and cash equivalents balance of Kshs.8,574,028 as at 30 June, 2020 comprising of Kshs.8,541,902 held in three bank accounts, and cash at hand of Kshs.32,126 as disclosed in Note 15 to the financial statements. However, the bank reconciliation statements together with the certificates of bank balance were not provided for audit review. In addition, the cash book closing balance together with the cash at hand were not supported with a report of the Board of survey of cash balances.

Consequently, the accuracy and existence of the cash and cash equivalents balance of Kshs.8,574,028 could not be confirmed.

## **8. Unsupported Receivables**

The statement of financial position reflects receivables from exchange transactions amounting to Kshs.1,474,460 and receivables from non-exchange transactions amounting to Kshs.2,160,000 all totalling Kshs.3,634,460. However, no schedules were provided for audit review to support the two amounts. In addition, no provision was made to cater for amounts not likely to be collected from students in line with prudence principle.

Further, recognition of the undisbursed Government capitation grant amount of Kshs.2,160,000 is contrary to Paragraph 31 of the International Public Sector Accounting Standards (IPSAS) 23 which states that an inflow of resources from a non-exchange transaction, other than services in-kind, that meets the definition of an asset shall be recognized as an asset when, and only when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and the fair value of the asset can be measured reliably.

Consequently, the accuracy of the receivables balance of Kshs.3,634,460 could not be ascertained.

## **9. Unamortised Intangible Assets**

The statement of financial position also reflects intangible assets valued at Kshs.625,000 in respect of acquired software. However, the management did not charge amortisation expense on the software as required in the accounting policy for intangible assets as indicated in paragraph 4 (e) of notes to the financial statements outlining significant accounting policies. The policy provides that intangible assets are carried at cost less any accumulated amortization and impairment losses.

Consequently, the accuracy of the intangible assets value of Kshs.625,000 as at 30 June, 2020 could not be confirmed.

## **10. Unsupported Current Liabilities**

The statement of financial position reflects current liabilities totalling Kshs.1,974,111 as at 30 June, 2020 comprising trade and other payables from exchange transactions,



refundable deposits, and fee payments in advance as shown in Note 21 to the financial statements. However, the no supporting schedules were provided for audit review.

In the circumstances, the accuracy of current liabilities amounting to Kshs.1,974,111 as at 30 June, 2020 could not be confirmed.

#### **11. Unbalanced Statement of Financial Position**

The statement of financial position is not balanced as the net assets total is reflected as Kshs.65,739,897 while the reserves and capital fund amounts to Kshs.67,714,008 resulting to a difference of Kshs.1,974,111 which was not been reconciled.

Consequently, the statement of financial position is not correct.

#### **12. Inaccuracy of the Statement of Changes in Net Assets**

The statement of changes in net assets does not reflect information in support of amounts extracted from the statement of financial position and statement of cash flows, and therefore is not properly presented. In addition, Kshs.55,385,519 and Kshs.9,094,416 in respect of capital fund and reserve respectively reflected in the statement of financial position are not included the statement of changes in net assets.

Consequently, the accuracy of the statement of changes in net assets for the year ended 30 June, 2020 could not be confirmed.

#### **13. Inaccuracy of the Statement of Cash Flows**

The statement of cash flows for the year ended 30 June, 2020 is not properly prepared and does not provide the intended information. The statement is prepared using the indirect method and cash flows have not been reconciled to the relevant source records.

The statement also includes inaccurate amounts in respect of increase in payables of Kshs.1,521,948 instead of Kshs.1,974,111 shown in the statement of financial position and payment received in advance of Kshs.2,562,569 which is not reflected in the statement of financial position.

The total for cash flows from investing activities is indicated as Kshs.8,515,128 instead of Kshs.(2,515,081), which would have resulted into an increase in cash and cash equivalents of Kshs.3,484,966 instead of the Kshs.8,574,028 shown.

Consequently, the accuracy of the statement of cash flows for the year ended 30 June, 2020 could not be confirmed.

#### **14. Lack of Approved Budget**

During the year under review, the Board of Governors and Management of the College operated without a budget duly approved by the Cabinet Secretary contrary to the provisions of Section 22 (1 and 2) of the Second Schedule of the Technical and Vocational Education and Training Act of 2013 which states that a Board of Governors of a public institution shall prepare annual estimates of revenue and expenditure for the institution



under its charge, in such form and at such times as the Cabinet Secretary may prescribe and that the Board may incur expenditure for the purpose of the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.

Consequently, the Management breached the law.

## **15. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.44,213,590 and Kshs.19,607,926 respectively resulting in a shortfall of Kshs.24,697,664 or 56% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.44,213,213 and Kshs.16,373,853 respectively resulting in an under performance amounting to Kshs.27,839,736 or 63%.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the students and stakeholders of Bunyala Technical and Vocational Training College.

## **16. Compliance with the TVETA Quality Audit Requirements**

During the year under review, the College did implement the quality assurance manual developed by the Technical and Vocational Education Training Authority as detailed below: -

### **16.1 Programme Accreditation**

The college had not applied or sought accreditation for the programmes that were being offered and there was also no evidence that all the trainers were accredited.

### **16.2 Internal Quality Assurance**

Although the internal quality assurance committee was in place, there was no evidence that it was functional as the minutes of the meetings held, schedule of their activities and reports were not provided for audit review.

Consequently, the quality of programs delivered to trainees could not be ascertained.

## **17. Lack of Risk Management Policy**

During the year under review, the College operated without a risk management policy contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015, which stipulates that the Accounting Officer of a Government entity should develop risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

The College, therefore, did not have a framework for management of risk and may be unable to identify, assess, prevent and mitigate against the risks affecting its operations. In addition, the College has no disaster recovery and business continuity plan in the event of occurrence a disaster.

Consequently, the Management is in breach of the law and may not be able to identify, assess, prevent, and mitigate against the risks affecting its operations.

#### **18. Failure to Adhere to Occupational Safety and Health Act**

Bunyala Technical & Vocational Training College has not mainstreamed the requirements of Section 9(1) of the Kenya Occupational Safety and Health Act (OSHA), 2007 which requires that every occupier shall establish a safety and health committee at the workplace in accordance with regulations prescribed by the Minister if there are twenty or more persons employed at the workplace among others.

Further, Section 11(1) of the same Act requires the occupier of a workplace to undergo thorough safety and health audit of his workplace at least once in every period of twelve months by a safety and health advisor, who shall issue a report of such an audit containing the prescribed particulars to the occupier on payment of a prescribed fee and shall send a copy of the report to the Director. However, as at the time of audit in April, 2021 there was no evidence that the College had undergone such audit. The College also did not have human resource policies and procedures manual and standing safety and health committee as required by the Act.

The Management is therefore in breach of the law.

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

#### **Conclusion**

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion

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

#### **Conclusion**

I do not express a conclusion on the effectiveness of internal controls, risk management and overall governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit 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, risk management and governance.

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

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

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

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

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

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. I also consider internal control, risk management and governance processes and systems in order to give an assurance on the effectiveness of internal

controls, risk management and governance 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit conclusion on lawfulness and effectiveness in use of public resources, and on effectiveness of internal controls, risk management and governance.

I am independent of the Bunyala Technical and Vocational Training College Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

15 February, 2022





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**XIII. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30th JUNE 2020**

	Notes	2019/2020
		<b>Kshs</b>
<b>Revenue from non-exchange transactions</b>		
Transfers from the National Government – grants	6a	4,593,851
Transfers from other levels of Government	6b	11,886,400
<b>Total Revenue from non-exchange transactions</b>		<b>16,480,251</b>
<b>Revenue from exchange transactions</b>		
Rendering of services- Fees from students	7	2,646,775
Sale of goods	8	434,900
Other income	9	46,000
<b>Revenue from exchange transactions</b>		<b>3,127,675</b>
<b>Total revenue</b>		<b>19,607,926</b>
<b>Expenses</b>		
Other Expenses	10	831,802
Employee costs	11	3,002,400
Remuneration of Directors	12	1,198,196
Repairs and maintenance	13	246,720
Use of goods	14	8,328,761
Depreciation & Amortization	18	2,765,974
<b>Total expenses</b>		<b>16,373,853</b>
<b>Net Surplus for the year</b>		<b>3,234,073</b>

The notes set out on pages 7 to 20 form an integral part of the Annual Financial Statements.





**BUNYALA TECHNICAL AND VOCATIONAL COLLEGE**  
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**XIV. STATEMENT OF FINANCIAL POSITION AS AT 30th JUNE 2020**

	Notes	2019/2020
		Kshs
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	15	8,574,028
Receivables from exchange transactions	16	1,474,460
Receivables from non - exchange transactions	17	2,160,000
Inventories		120,000
<b>Total Current Assets</b>		<b>12,328,488</b>
<b>Non-current assets</b>		
Property, plant and equipment	19	54,760,520
Investments		0
Intangible assets	20	625,000
Investments property		0
<b>Total Non-current Assets</b>		<b>55,385,520</b>
<b>Total assets</b>		<b>67,714,008</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables from exchange transactions	21	1,521,948
Refundable deposits from customers(Caution Money	21	58,900
Payments received in advance	21	393,263
<b>Total Liabilities</b>		<b>1,974,111</b>
<b>Net Assets</b>		<b>65,739,897</b>
<b>Reserves</b>		<b>9,094,416</b>
Accumulated surplus		3,234,073
Capital Fund		55,385,519
<b>Total net assets and liabilities</b>		<b>67,714,008</b>

The Financial Statements set out on pages 01 to 02 were signed on behalf of the Institute Board of Governors by:

  
 \_\_\_\_\_  
**Chairman of Board of Governors**

Date: 15/9/21

  
 \_\_\_\_\_  
**Finance Officer**

ICPAK No. ....  
 Date: 15/9/21

  
 \_\_\_\_\_  
**Principal**

Date: 15/9/21



BUNYALA TECHNICAL AND VOCATIONAL COLLEGE  
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**XV. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2020**

	Revaluation reserve	Fair value adjustment reserve	Retained Earnings	Capital/ Development Grants/Fund	Total
<b>At February 1, 2019</b>	<b>0.00</b>	<b>0.00</b>	<b>3,234,073</b>	<b>0.00</b>	<b>3,234,073</b>
Total comprehensive income					
Capital/Development grants received during the year					
Transfer of depreciation/amortization from capital fund to retained earnings	0.00	0.00	2,765,974		2,765,974
At July 30, 2019					
Capital/Development grants received during the year		0	0	0	0
<b>Balance c/d as at June 30, 2020</b>	<b>0</b>	<b>0</b>	<b>6,000,047</b>	<b>0.00</b>	<b>6,000,047</b>





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**XVI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020**

		2019/2020
	Note	Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from other Government entities/Govt Grants	6a,b	16,480,251
Rendering of services- Fees from students	7	2,646,775
Sale of goods	8	434,900
Other income	9	46,000
<b>Total Receipts</b>		<b>19,607,926</b>
<b>Payments</b>		
Employee costs	11	3,002,400
Use of goods and services	14	8,328,761
Remuneration of Directors	12	1,198,196
Repairs and maintenance	13	246,720
Other expenses	10	831,802
<b>Total Payments</b>		<b>13,607,879</b>
<b>Net cash flows from operating activities</b>		<b>6,000,047</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant, equipment and intangible assets		0
Decrease/increase in non-current receivables		-1,474,460
Increase/Decrease in payables		1,521,948
Payments received in advance(HELB)		-2,562,569
<b>Net cash flows used in investing activities</b>		<b>8,515,128</b>
Net cash flows used in investing activities		8,515,128
<b>Cash flows from financing activities</b>		
Proceeds from borrowings		0
Repayment of borrowings		0
Increase in deposits		58,900
<b>Net cash flows used in financing activities</b>		<b>0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,574,028</b>
Cash and cash equivalents at 1 July 2019		0
<b>Cash and cash equivalents at 30 June 2020</b>	15	<b>8,574,028</b>





**BUNIA ALA TECHNICAL AND VOCATIONAL COLLEGE  
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**XVII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Explanation of performance difference
	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020	
<b>Revenue</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Transfers from other Govt entities Govt grants	12,852,850	-	12,852,850	16,480,251	3,627,401	1
Public contributions and donations(C.D.F)	9,060,040	-	9,060,040	0.00	-9,060,040	2
Rendering of services- Fees from students	20,435,500	-	20,435,500	2,646,775	-17,788,725	3
Sale of goods	1,865,200		1,865,200	434,900	-1,430,300	4
Other incomes			0	46,000	-46,000	5
<b>Total income</b>	<b>44,213,590</b>	<b>-</b>	<b>44,213,590</b>	<b>19,607,926</b>	<b>-24,697,664</b>	
<b>Expenses</b>						
Compensation of employees	5,294,400	-	5,294,400	3,002,400	2,292,000	6
Use of Goods and services	2,051,900		2,051,900	8,328,761	-6,276,861	7
Remuneration of directors	2,194,540		2,194,540	1,198,196	996,344	8
General expenses	34,672,750		34,672,750	3,844,496	30,828,253	9
<b>Total expenditure</b>	<b>44,213,590</b>	<b>-</b>	<b>44,213,590</b>	<b>16,373,853</b>	<b>27,839,736</b>	
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,234,073</b>		

**BUDGET NOTES**

1. The College received funds from NYS
2. Budalang'i NG-CDF had promised to fund construction of the dining hall but has not been achieved as at June 30<sup>th</sup> 2020.
3. Poor fees payments by students who entirely depend on bursaries, HELB, and government capitation. Poor family backgrounds as it is well known about Bunyala Sub-County.
4. Tractors failed to plough targeted farms due to mechanical breakdowns
5. Employees are working under contracts, HR policy is being finalised and will be effected once approved by the Board.
6. Capacity building workshops, examination materials and college marketing were undertaken among other projects
7. BOG Meetings were sometimes held online mainly due to the COVID-19 pandemic restrictions.
8. Lack of funds led to the College cutting down on low priority expenditure.



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**XVIII. NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

Bunyala Technical and Vocational college is established by and derives its authority and accountability from the TVET Act, 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya.

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION –IPSAS 1**

The financial statements of the Bunyala TVC have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements of BTVC was prepared in conformity with International Public Sector Accounting Standards (IPSAS) which allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Bunyala Technical and Vocational College accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements.

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

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

**3. ADOPTION OF NEW AND REVISED STANDARDS**

- i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2020

Standard	Impact
<b>IPSAS 40:</b> Public Sector Combinations	<b>Applicable: 1<sup>st</sup> January 2019</b> The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations. Bunyala Technical and Vocational College has no plans for combinations.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2020
- iii. Early adoption of standards  
The entity did not early – adopt any new or amended standards in year 2020.



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions –IPSAS 23**

**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 –IPSAS 9**

**Rendering of services**

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

**Sale of goods**

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

**b) Budget information –IPSAS 24**

The original budget for FY 2019/2020 was approved by the Board on **05/07/2019**. 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 Bunyala Technical and Vocational college budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.





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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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

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

**c) Taxes**

*Current income tax*

The current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised directly in net assets is recognised in net asset and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

*Sales tax/Value Added Tax*

Expenses and assets are recognised net of the amount of sales tax save for:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the assets or part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included.

The amount of sales tax recoverable from, or payable to the taxation authority is included as part of the receivables or payables in the statement of financial position.

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost. Cost includes expenditures that are directly attributable to the acquisition of the items

**e) Intangible assets**

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

**i) Related parties**

The Bunyala Technical and Vocational college regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the CEO/principal and senior managers.



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**j) Service concession arrangements**

The Bunyala Technical and Vocational college analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Entity recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**k) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank.

**l) Comparative figures**

No comparative figures have been used to conform to the required changes in presentation as this is the base year for Bunyala Technical and vocational College.

**m) 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.

**Estimates and assumptions**

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

**Useful lives and residual values**

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

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





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

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 18,19

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. (a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES**

Description	2019-2020
	<b>KShs</b>
<b>Unconditional grants</b>	
Operational grant	0.00
GOK Capitation	4,593,851
<b>Total government grants and subsidies</b>	<b>4,593,851</b>

**6. (b) TRANSFERS FROM OTHER LEVELS OF GOVERNMENT**

Description	2019-2020
	<b>KShs</b>
Transfer from Bumbé T.T.I	4,155,000
NYS	7,731,400
<b>Total Transfers</b>	<b>11,886,400</b>



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**7. RENDERING OF SERVICES**

Description	2019-2020
	<b>KShs</b>
Tuition fees	957,657
Personnel Emolument	565,870
Local travel & travel	123,995
Medical	0
Administration Costs	7,250
Electricity, Water & Conservancy	94,050
Activity	58,450
Welfare/Contingency	36,820
Student council	42,370
Repair, Maintenance & Improvement	21,050
Student I,D Cards	28,030
Registration	30,900
Insurance	29,500
Examination	186,836
Salary Advance	210,995
Attachment	64,610
Computer app. Packages	7,530
NHIF	70,350
NSSF	102,420
PAYE	8,092
<b>Total revenue from the rendering of services</b>	<b>2,646,775</b>

**8. SALE OF GOODS**

Description	2019-2020
Tractor hire	434,900
<b>Total revenue from the sale of goods</b>	<b>434,900</b>

**9. OTHER INCOMES**

Description	2019-2020
	<b>KShs</b>
Income from sale of Tender Documents	46,000
<b>TOTAL</b>	<b>46,000</b>



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**10. OTHER EXPENSES**

Description	2019-2020
	KShs
Tractor Expenses	658,115
Tendering	19,055
Road Construction	109,632
Pit Latrine Construction	45,000
<b>TOTAL</b>	<b>831,802</b>

**11. EMPLOYEE COSTS**

	2019-2020
	KShs
Salaries and wages	3,002,400
<b>Employee costs</b>	<b>3,002,400</b>

**12. REMUNERATION OF DIRECTORS**

Description	2019-2020
	KShs
BOG Allowances	1,198,196
<b>Total director emoluments</b>	<b>1,198,196</b>

**13. REPAIRS AND MAINTENANCE**

Description	2019-2020
	KShs
General repairs	246,720
<b>Total repairs and maintenance</b>	<b>246,720</b>





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**14. USE OF GOODS AND SERVICES**

Description	2019-2020
	<b>KShs</b>
Tuition	2,866,494
Contingency	354,780
Local travel and transport	1,864,035
Activity	562,170
Student council	64,500
Insurance	48,558
Electricity water and conservancy	394,872
Bank charges	9,352
Medical	48,700
Marketing and publicity	151,200
Examinations	704,380
Salary advance	185,205
NHIF	80,450
NSSF	289,830
PAYE	16,487
Administration cost	672,498
Industrial Attachment	15,250
<b>Total general expenses</b>	<b>8,328,761</b>

**15. a) CASH AND CASH EQUIVALENTS**

Description	2019-2020
	<b>KShs</b>
Current account	8,541,902
Cash at hand	32,126
<b>Total cash and cash equivalents</b>	<b>8,574,028</b>



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**15 b). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

		2019-2020
Financial institution	Account number	KShs
a) Current account		
Kenya Commercial bank	1252563639	365,107
Kenya Commercial bank	1252563736	8,157,000
Kenya Commercial bank	1252563787	19,795
<b>Sub total</b>		<b>8,541,902</b>
b) cash in hand		32,126
<b>Sub total</b>		<b>32,126</b>
<b>Grant Total</b>		<b>8,574,028</b>

**16. RECEIVABLES FROM EXCHANGE TRANSACTIONS**

Description	2019-2020
	KShs
<b>Current receivables</b>	
Student debtors	1,474,460
<b>Total current receivables</b>	<b>1,474,460</b>

**17. RECEIVABLES FROM NON EXCHANGE TRANSACTIONS**

Description	2019-2020
	KShs
<b>Current receivables</b>	
Capitation Grants	2,160,000
<b>Total current receivables</b>	<b>2,160,000</b>



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**18. DEPRECIATION & AMORTIZATION EXPENSE**

<b>ASSET</b>	<b>DATE OF ACQUISITION</b>	<b>ESTIMATED COST</b>	<b>INITIAL COST</b>	<b>ACCUMULATED DEPRECIATION</b>	<b>NET BOOK VALUE AS AT JUNE 2019</b>	<b>DEPRECIATION FOR THE YEAR AS AT 2020</b>	<b>NET BOOK VALUE AS AT JUNE 2020</b>
Land	2014	5,200,000	5,200,000		5,200,000	-	5,200,000
Building	2014	51,823,820	51,823,820	1,295,596	50,528,225	2,591,191	47,937,034
Plant & Equipment	2019	248,270	248,270	31,033	248,270	31,033	217,236
Computer/Copier/Printers	2019	125,000	125,000	25,000	125,000	25,000	100,000
Furniture & Fittings	2019	1,425,000	1,425,000	118,750	1,425,000	118,750	1,306,250
<b>TOTAL</b>		<b>58,822,090</b>	<b>58,822,090</b>	<b>1,470,379</b>	<b>57,526,495</b>	<b>2,765,974</b>	<b>54,760,520</b>

**NOTES**

1. Land-not depreciated
2. Building useful life 40 years but pending valuation
3. Plant & Equipment 8 years
4. Computers 5 years
5. Furniture & Fittings 12 years





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**19. PROPERTY, PLANT AND EQUIPMENT**

	<b>Land and Building</b>	<b>Motor Vehicles</b>	<b>Furniture and Fittings</b>	<b>Computers</b>	<b>Other Assets (specify)</b>	<b>Plant &amp; Equipment</b>	<b>Capital W.I.P</b>	<b>Total</b>
At 30 <sup>th</sup> July, 2019	57,023,820	0	1,425,000	125,000	0	248,270	0	58,822,090
Depreciation & Impairment	1,295,596		118,750	25,000	0	31,033	0	-1,470,379
At 30 <sup>th</sup> June, 2020								
Depreciation & Impairment	1,295,596	0	0	0	0	0	0	-1,295,596
<b>Net Book Values</b>	<b>53,137,034</b>	<b>0</b>	<b>1,306,250</b>	<b>100,000</b>	<b>0</b>	<b>217,237</b>	<b>0</b>	<b>-1,295,596</b>



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**20. INTANGIBLE ASSETS-SOFTWARE**

DESCRIPTION	2019/2020
<b>Cost</b>	
At beginning of the year	600,000
Additions	25,000
At end of the year	625,000
Additions-Internal Development	
At end of the year	625,000
<b>Amortization and Impairment</b>	
At beginning of the year	
Amortization	
At end of the year	
Impairment Loss	
At end of the year	
NBV	625,000

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

Description	2019-2020
	KShs
Trade payables	1,521,948
Fees paid in advance	393,263
Caution Money	58,900
<b>Total trade and other payables</b>	<b>1,974,111</b>

**22. RELATED PARTY BALANCES**

**Nature of related party relationships**

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

**Government of Kenya**

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

- i) The National Government;
- ii) The Parent Ministry; Ministry of Education
- iii) Key management;
- iv) Board of Governors;
- v) Kenya Agriculture and Livestock Research Organization
- vi) Higher Education Loans Board (HELB)
- vii) Bumbe Technical Training Institute



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2019-2020
	Kshs
<b>Transactions with related parties</b>	
<b>a) Sales to related parties</b>	
Sales of services: Kenya Agriculture and Livestock Research Organization	210,950.00
<b>Total</b>	<b>210,950.00</b>
<b>b) Grants from the Government</b>	
Grants from National Government	10,908,851
<b>Total</b>	<b>10,908,851</b>
<b>c) Expenses incurred on behalf of related party</b>	
Payments of salaries and wages for B.O.G employees	3,002,400.00
<b>Total</b>	<b>3,002,400.00</b>
<b>d) Key management compensation</b>	
Board of Governors	1,198,196
<b>Total</b>	<b>1,198,196</b>

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

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

**24. ULTIMATE AND HOLDING ENTITY**

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

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





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**XIX. 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)

.....  
Chairman of the Board

Date. 15/9/2021 .....



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**XX. APPENDIX II: INTER-ENTITY TRANSFERS**

<b>BUNYALA TECHNICAL AND VOCATIONAL COLLEGE</b>			
<b>Break down of Transfers from the State Department of VOCATIONAL AND TECHNICAL TRAINING</b>			
<b>FY 2019/2020</b>			
<b>c. Direct Payments</b>			
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	17 <sup>TH</sup> JULY 2019	273,851	2019/2020
	18 <sup>TH</sup> OCT 2019	1,552,500	2019/2020
	6 <sup>TH</sup> JUNE 2020	2,767,500	2019/2020
	13 <sup>TH</sup> JULY 2020	2,160,000	2019/2020
	<b>Total</b>	<b>6,753,851</b>	

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

Principal  
Bunyala TVC

Head of Accounting Unit  
Ministry of Education State department of TVET

Sign



Sign

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