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 THE NATIONAL ASSEMBLY PAPERS LAID	
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ON

NYAMIRA NATIONAL POLYTECHNIC

FOR THE YEAR ENDED 30 JUNE, 2024



THE NYAMIRA NATIONAL POLYTECHNIC

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

THE NYAMIRA NATIONAL POLYTECHNIC
Annual Report and Financial Statements for the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
VTC	Vocational Training College

Provide a list of Acronyms and a glossary of terms used in the financial report as per the above example. The list to be exhaustive)

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2. Key Entity Information and Management

(a) Background information

The Nyamira National Polytechnic (NNP) was established through The Technical and Vocational Training (Nyamira National Polytechnic) Order, 2024. It is the immediate successor of Ekerubo Gietai Technical Training Institute (NNP). The institution's initial physical infrastructure were funded and built by the Government of Kenya between 2009 and 2014. The pioneer Principal was posted to the Institute in January 2015 and the first batch of trainees reported in February 2015. The Institution's first Board of Governors (BOG) was inaugurated on 27th April 2015.

NNP, as it was known then, was inaugurated in a ceremony presided over by the 4th President of the Republic of Kenya, His Excellency Hon. Uhuru Muigai Kenyatta on 27th April 2016.

NNP is duly registered by the TVET Authority and licensed to offer training up to higher diploma level. It is mandated to collaborate with recognized universities for the conduct and award of degree programmes in technology. NNP is also a Qualification Awarding Institution (QAI) and is in the process of actualizing this mandate. The Polytechnic will soon offer Recognition of Prior Learning (RPL) programs in line with its expanded mandate.

NNP boasts of a serene training environment, modern equipment and skilled faculty in the programmes it offers. It is well equipped in Building Sciences and Land Survey and continues to enhance the training environment in the other disciplines as well. The Polytechnic currently occupies 32 acres of land and has ample space for expansion including a further 27 acres' government land reserved for public purpose.

NNP is in Mugirango North Constituency, Nyamira County within the Great Lakes circuit. It is on the Tombe – Mokomoni road about 17 kilometres from Nyamira town off the Nyamira – Ikonge highway. Its GPS Coordinates are LAT. -0.591072 (S 0° 35' 27.858"); LONG. 35.028873 (E 35° 1' 43.944").

(b) Principal Activities

The mandate of the Institute includes to:

Offer teaching/training in science and technology.

Offer innovative discovery, transmission and preservation of knowledge.

Carry research and entrepreneurial activities.

Participate in commercial ventures and activities that promote the objectives of the institution

Foster the general welfare of staff, students and the community

Develop and provide educational, cultural, professional, technical and vocational services to the community and in particular foster corporate social responsibility

Promote social – economic development in line with the county's development agenda

i) Vision

A market leader in the provision of quality and relevant training, research and innovation.

ii) Mission

To provide holistic, quality and relevant training to foster research and innovation for sustainable development.

iii) Motto

To understand the course of things to innovate new ways of doing them better: *"home of innovation"*.

iv) Core Values

Our operations are governed by a set of core values which constitute the desired organizational culture. The guiding core values that NNP and the stakeholders and partners shall hold in common and endeavour to put into practice while performing their functional obligations include the following:

Integrity – Transparency, accountability and cost effectiveness

Courtesy- Respect for staff and diversity.

Teamwork – Partnership for collaboration, advantage and synergies.

Competence – Impact, performance and science orientation

Fidelity to law- committed to respect the rule of law in all our undertakings.

Confidentiality- embraces the principle of confidentiality in service delivery.

Environmental stewardship- Committed to preservation and conservation of the environment.

(c) Key Management

The Institute's day-to-day management is overseen by the following key organs:

- i) The Board of Governors
- ii) The Principal (Accounting officer)
- iii) The Central Administration Team
- iv) The Heads of Department

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(d) Fiduciary Management

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

The key management personnel who were in office during the financial year 2023/2024 and had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	Mr. Geoffrey Andama
2.	Deputy Principal- Administration	Mr. Wesley Koech
3.	Deputy Principal- Academics	Mrs. Joyce Omweri
4.	Registrar	Mr. Devis Nyangeri
4.	Dean of Students	Mrs. Mary Nyamori
5.	Finance Officer	CPA. Mouti Rebecca
6.	Human Resource Officer	Evans Moriasi

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

During the year under review, the Institute was oversighted by the following Board committees:

Name of The Committee	Members	Designation
Finance Resource Mobilization and Project Management (FIRMPROM)	Mr. Tom Macakiage Mr. Kennedy Buko Mr. Samuel Makori Dr. John Osoro	Chairperson Member Member Member
Administration Research and Training Committee (ART)	Ms. Phoebe Makungu Dr. Elisha Ogada Mr. Samuel Makori Dr. John Osoro	Chairperson Member Member Member
Audit and Risk Management (ARM)	Ms Lucy Wachira Ms Phoebe Makungu Dr. Elisha Ogada Dr. John Osoro	Chairperson Member Member Member

(f) Entity Headquarters

The Nyamira National Polytechnic
P.O. Box 382-40500
Tombe-Mokomoni Road
Nyamira, Kenya

(g) Entity Contacts

Telephone :(254) 0794 519 220
E-mail: info@nyamirapoly.ac.ke
Website: www.nyamirapoly.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
P.o. Box 403-40500
Nyamira – Kenya

(i) Independent Auditors

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



Key Entity Information and Management (Continued)

(j) Principal Legal Adviser

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

County Attorney
(Provide address for the county attorney)

3. The Board of Management

No.	Member	Details
	 <p data-bbox="292 976 485 1005">Dr. Bob Ndubi</p>	<p data-bbox="869 421 1136 450">Date of Birth: 1974</p> <p data-bbox="869 454 1409 815">Holds PhD (Finance) MBA (Finance) and Bachelors degree in Education. and has previously served as Business Development Manager (Kenya Railways), Managing Partner (Kilele Consulting), Lead Consultant (Kilele Consulting) and Research Executive (Research International East Africa Ltd.). He is currently MD Silver House Capital</p> <p data-bbox="869 819 1409 1102">Dr. Ndubi has extensive Board experience having served as a trustee (Kenya Railways), Board member, Kenya Red Cross Nairobi Branch; Chairman of the Board, Westlands Cooperatives Alliance and Chairman of the Board, Chache Tumaini SACCO. He is the current Board chairman.</p>
	 <p data-bbox="292 1655 560 1684">Mr. Tom Macakiage</p>	<p data-bbox="869 1151 1123 1180">Date of Birth: 1970</p> <p data-bbox="869 1184 1409 1512">Holds a first degree in Engineering and two post-graduate degrees: MBA and the other in Technology Entrepreneurship. He is a Certified Information Systems Manager (CISM), Certified Information Systems Auditor (CISA), Certified Novell Administrator and Certified Ethical Hacker and a Project Management Professional (PMP).</p> <p data-bbox="869 1516 1409 1915">Previously worked as Head of IT, CFC Stanbic Bank; IT Manager, Unilever East & South Africa (ESA); IT Service Delivery Manager, Unilever ESA; IT Infrastructure & Operations Manager, Unilever Kenya Ltd. MIS Manager & Business Model Analyst, Firestone E. A. (1969) Ltd. and Computer Instructor & Programmer, KCITI & Data Center Ltd. He serves as Country Director, Servetech Systems Ltd.</p> <p data-bbox="869 1919 1409 2020">Appointed to the Board in February in 2021 and was reappointed Chairman of the Board Committee on Finance,</p>




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		Resource Mobilization & Project Management (FIRMPROM).
	 <p>Dr. Elisha Ogada</p>	<p>Date of Birth: 1977</p> <p>Holds a PhD in Applied Mathematics from Harbin Institute of Technology (HIT) in China (Mathematical Image processing). Previously served in the Faculty of Science, Africa Nazarene University (ANU), Lecturer and advisor to engineering students at Multimedia University of Kenya (MMU) and Technical University of Kenya (TUK). He has supervised and examined postgraduate students in Applied Mathematics, published in peer reviewed Journals.</p> <p>Served as Coordinator of Mathematics and member of the committee on Outreach and Strategic Marketing of Egerton University's Nairobi Campus. Served as a BOM member of Masogo Mixed Secondary School in Homa Bay County. Currently Mathematics lecturer at Egerton University</p> <p>He was appointed member of the Board of Governors, Ekerubo Gietai Technical Training Institute in February 2021 where he also serves in the Audit and Risk Management Committee and in the Administration, Research & Training Committee.</p> <p>Dr. Ogada serves in the management of Emperica Consult, a consultancy, as one of the Monitoring, Evaluation and Learning experts. He is also a Data Collection, Analysis and Reporting Consultant on that board. In addition, he serves as a consultant editor for several organizations including Zizi Afrique Foundation. He is also a motivational speaker and an advisor on career and life-skill matters.</p> <p>Dr. Ogada, is passionate about youth empowerment and gender mainstreaming.</p>

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 <p>Mr. Samuel Menyanya Makori</p>	<p>Date of Birth 1974 He holds a Bachelor of Agriculture HONs Degree from JKUAT with 21 years of experience as a Manager with Eastern Produce Company. He currently works as a manager at KTDA Company Ltd in Bomet County. He became a member of the Board on 02/05/2018 and was reappointed in the year 2021. He was a member to FIRMPROM and ART Committees</p>
 <p>Ms Lucy Wahito Wachira</p>	<p>Date of birth 1978 Holds a Masters degree in Business Administration (Strategic Management) from Kisii University. Worked as an assistant business Loans Manager at Mwalimu National SACCO and acted as a FOSSA Branch Manager in the same SACCO. Currently she works at the Kisii Water and Sanitation Company. Appointed to the Board on 05/02/2018 and was reappointed in 2021.</p>
 <p>Eng. Kennedy Orangi Buko</p>	<p>Date of birth 1963 Holds a Higher National Diploma in Electrical and Electronic Engineering from Kenya Polytechnic. Has a work experience of 26 years as an Engineer. He has worked as a senior Engineer with TECHNOMED LTD Nairobi and is currently working with KEMRI WELCOME TRUST RESEARCH PROGRAMME in Kilifi County as a Building Services Engineer. He is a member of Association of Medical Engineers of Kenya (AMEK) Reg. No. 0064 and the Engineers Registration Board of Kenya (ERB) Certificate No. C1037. Appointed as a Board Member</p>


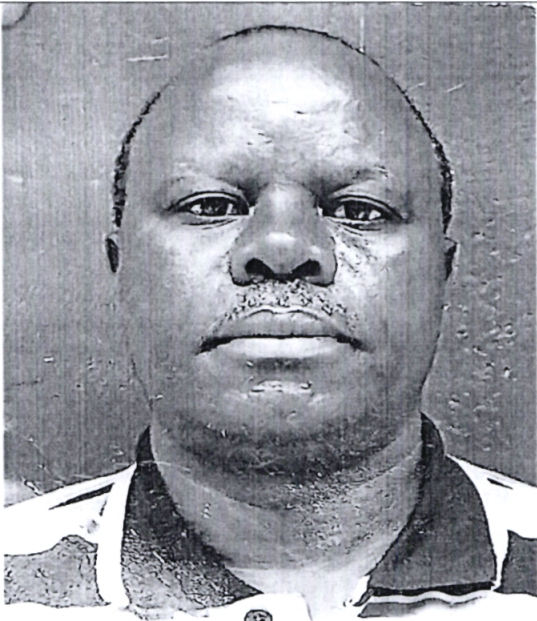
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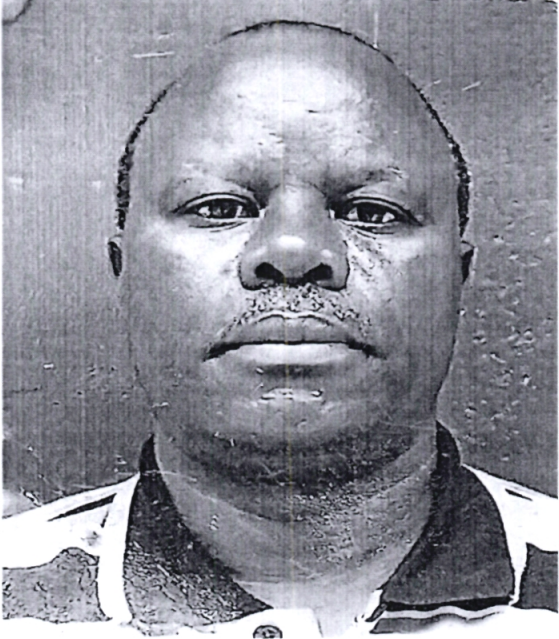
		<p>on 05/02/2018 and reappointed in 2021.</p>
	 <p>Mrs. Phoebe Makungu</p>	<p>Date of birth 1971 Holds Bachelor of Education degree from Kenyatta University and Diploma in HRM (post graduate) from Kenya Institute of Management. She has over 21 years of experience in the public sector with various assignments. Worked as assistant director HRM in the office of the president police department among others. Currently she is working as deputy director- HRM Policy, Recruitment, Training and oversight at the Ministry of Energy and Petroleum. Appointed as a Board Member on 05/02/2018 and reappointed in 2021.</p>
	 <p>Dr. John Osoro</p>	<p>Date of birth 1968 Dr. John Osoro is the County Director TVET (Kisii and Nyamira). He represents the Principal Secretary, State Department for Technical Vocational Education and Training in the Institute's Board of Governors.</p>
		<p>Date of birth 1970 Holds a Masters degree in Project Planning & Management from the University of Nairobi, a Bachelor of Education degree from Egerton University, a diploma in Education Management (KEMI) as well as SMC and SLDP from the Kenya School of Government. He has over 30 years of</p>

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 <p>Mr. Geoffrey Nyamweya Andama (Out going Principal)</p>	<p>experience in TVET. He previously worked as Registrar at Mawego T. T. I., Deputy Principal at Kisumu National Polytechnic, and Principal at Siaya Institute of Technology. He is the Institute’s Accounting Officer and Secretary to the Board of Governors.</p>
 <p>James Basweti kinara (The current Principal)</p>	<p>Date of Birth 1967</p> <p>He joined the Polytechnic on 19/12/2024 as Principal. He holds a Master’s degree in Education from the University of Nairobi Bachelors of Education - Moi University. He has KEMI and SMC certificates, PhD JKUAT – Strategic Management (ongoing)</p> <p>He has over 35 years of experience in management</p> <p>He has worked as a principal in various secondary schools, Latest as TVET principal in Maasai Mara TVC</p> <p>He is the Institute’s Accounting Officer and Secretary to the Board of Governors</p>

4. Key Management Team

No.	Member	Details
	 <p data-bbox="336 1025 788 1061">Mr. Geoffrey Nyamweya Andama</p>	<p data-bbox="868 443 1118 474">Date of birth 1970</p> <p data-bbox="868 515 1409 1099">He joined the Institute on 14/03/2019 as Principal. He holds a Masters degree in Project Planning & Management from the University of Nairobi, a Bachelor of Education degree from Egerton University, a diploma in Education Management (KEMI) as well as SLDP and SMC from the Kenya School of Government. He has over 30 years of experience in TVET. He has previously worked as Registrar, Mawego T. T. I., Deputy Principal, Kisumu National Polytechnic, and Principal, Siaya Institute of Technology. He is the Institute’s Accounting Officer and Secretary to the Board of Governors.</p>
	 <p data-bbox="411 1783 715 1854">James Basweti Kinara (The Current Principal)</p>	<p data-bbox="868 1106 1123 1137">Date of Birth 1967</p> <p data-bbox="868 1178 1409 1429">He joined the Polytechnic on 19/12/2024 as Principal. He holds a Master’s degree in Education from the University of Nairobi Bachelors of Education - Moi University. He has KEMI and SMC certificates, PhD JKUAT – Strategic Management (ongoing)</p> <p data-bbox="868 1438 1409 1505">He has over 35 years of experience in management</p> <p data-bbox="868 1514 1409 1617">He has worked as a principal in various secondary schools, Latest as TVET principal in Maasai Mara TVC</p> <p data-bbox="868 1626 1409 1693">He is the Institute’s Accounting Officer and Secretary to the Board of Governors</p>

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 <p>Mr. Wesley Koech Kiprono</p>	<p>Date of birth 1976</p> <p>He holds Bachelor of Education - Accounting and Economics from the University of Nairobi (UON). He joined the Institute in September 2023 as a Deputy Principal Administration. He has 15 years of experience in TVET. He has previously worked as D/ Registrar, HOD Business and PC coordinator at Mawego TTI</p>
 <p>Mrs Joyce Omweri</p>	<p>Date of birth 1965</p> <p>She holds a Bachelor of Education degree from Kenyatta University, Diploma in Technical Education (KTTC) as well as SMC from the Kenya School of Government. She has previously worked at Kisii National Polytechnic as a Trainer/HOD since 1993. Currently she is the Deputy Principal (Academics) of the Institute. She is in charge of curriculum implementation.</p>
 <p>Ms. Mary Osindi</p>	<p>Date of birth 1969</p> <p>Mary Osindi holds Masters degree in Business Administration from Egerton University; she also has a diploma in HRM from Kenya Institute of Management (KIM) and has worked as a lecturer in Kisii University for 5 years. Currently she is the Dean of Students.</p>

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	 <p>Mr. Devis Mokoro Nyangeri</p>	<p>Date of birth 1985</p> <p>Devis Mokoro Nyangeri holds a degree in Education Bed Science (Chemistry and Biology) from Kenyatta University. He has worked as a secondary school teacher from 2008 to 2014 before transferring to TVET Institution in 2016. He has a teaching experience of 15 years and currently serves as the Registrar of the institution. He is in charge of admissions and outreach programmes of the institution.</p>
	 <p>Name: CPA Mouti Rebecca Kerubo</p>	<p>Date of birth 1986</p> <p>CPA Mouti Holds a BCOM from KCA University Finance option. She is an accountant by profession registered with The Institute of Certified Public Accountants of Kenya (ICPAK) Membership number 28086</p> <p>Rebecca is currently doing Masters of Science in Finance and Economics – KCA University. She has 16 years of experience in the Finance field; she has worked as a Secondary School Bursar for 7 years at Matongo Boys High School. Currently she is the Institute’s Finance Officer since May 2017. She is in charge of Finance function.</p>
	 <p>Mr. Evans Moriasi Ngasora</p>	<p>Date of birth 1978</p> <p>He holds Bachelor of Science degree from Moi University. He also holds a Higher National Diploma in HRM from Eldoret Polytechnic. He has experience of six years in the HRM function. Currently he is the Human Resource Officer of the Institute in charge of employees.</p>

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5. Chairman's Statement

(On behalf of the Board of Governors (BOG), The Nyamira National Polytechnic, I am greatly honored to make this statement regarding governance and performance of the Institute. The Board which I chair was appointed on 17th February 2021 and inaugurated on 23rd March 2021. Induction of the Board was done from 23rd to 25th June 2021 at Kamel Park Resort in Kisii town. The term of the Board lapsed on 17th February 2024. In a letter dated 16th July 2024, the term was extended until appointment of the new Board.

Despite the challenges posed by significant reduction in funding through capitation and delays in remittances under the new higher education funding model, the Polytechnic managed to conduct all its core obligations in the 2023/2024 financial year. The Board oversaw the addition of three more courses in the dual vocational education model increasing the number of programs under this approach to four. In its quest to mitigate staffing deficits in critical functions, the Board competitively appointed an accountant, a supply chain officer, an office assistant and a driver. These officers are expected to contribute to better performance and enhanced service delivery.

The Board was also able to approve several policies including the Risk Management Policy, the Debt Management Policy and the gender policy. These important documents should be pivotal in ensuring the compliance environment at NNP is enhanced for the benefit of more effective and efficient service provision.

The Polytechnic faces some challenges which militate against effective and efficient performance in the delivery of training services. First on the list is the slow progress in completion of the library project. The library is a critical learning resource whose absence remains a glaring gap with adverse effects on the delivery of training programs. I wish to urge the Government, through the Ministry of Education to review the funding model for faster completion of the project.

The establishment of the college was realized courtesy of the implementation of phase one (1) of the project which constituted the Building and Civil Engineering department. It is now time for the Government to implement phase two (2) of the project i.e., the Electrical Engineering department. This would provide training facilities and infrastructure for students taking electrical, electronics and solar technology programs who currently learn under inadequate conditions.

I would however hasten to appreciate the Government, staff, students, and other stakeholders for the immense support accorded to the Polytechnic. Sincere thanks go to the Government for elevating the Institute to a National Polytechnic which status is expected to accrue dividends to the community and the nation. I further appreciate Higher Education Loans Board (HELB) and Kenya Universities and Colleges Central Placement Services (KUCCPS) for the critical roles they play in ensuring trainees access training programs at the Institute.

I wish to reiterate the commitment of the Board to the provision of steady and consistent oversight and policy guidelines to ensure management provides effective and efficient services. The Board has the right array of qualifications, skills and experience to deliver on this role.

Mr. Bob Ndubi 
Chairman BOG (NNP)

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6. Report of the Principal/Manager

I am pleased to present the annual report and financial statements for the year ended 30th June 2024 whose contents are outlined in this document. The year under review was challenging due to the reduction in capitation funds from the parent Ministry which saw the Polytechnic receive Ksh. 11,000 instead of Ksh. 30,000 per trainee. This had a devastating impact on the effective implementation of the Institute's budget with several planned activities being shelved.

The Nyamira National Polytechnic (TNNP) started the year with cash and cash equivalents of Kshs. 5,703,316 and received Kshs. 27,563,829 from the Government of Kenya as capitation and scholarship income. The Institute also collected tuition fees and other charges amounting to Kshs. 70,089,096. In total, therefore, the Institute had Kshs. 97,652,925 at its disposal for operations.

TNNP spent Kshs. 85,996,016.00 during the year, which included employee costs of Kshs. 27,172,816 representing 28% of the total income. About 45% of the personal emoluments expense went to compensation of additional trainers contracted to reduce the staffing deficit the Institute has continued to experience over time. The Institute spent Kshs. 49,303,737 on goods and services, Kshs. 7,080,523 on general expenses, Kshs. 460,940 on repairs and maintenance, and Kshs. 1,978,000 on the BOG expenses. In addition, there was accumulated depreciation and amortization expense of Kshs. 21,146,366

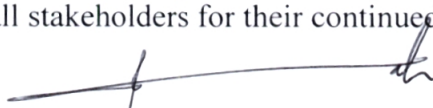
The Polytechnic targeted to raise income of Ksh. 154,819,838.00 during the financial year 2023/2024. However, this target was not met mainly because of non-remittance of 63% of capitation funds by the Government. The Institute received Ksh. 3,500 for the 1st quarter, Ksh. 3,500 for the 2nd and Kshs. 4,000 for 3rd quarter per student. No capitation was received for the 4th quarter.

The Polytechnic's enrolment has risen steadily reaching 2300 during the year under review. The increase in population has exerted pressure on the limited training facilities including lecture rooms, workshops, and laboratories. The government funded library project coming up at a revised contract sum of cost of Kshs. 59,891,337 remains incomplete with Kshs. 30,882,038 yet to be received. In the year under review, the Institute did not receive any monies for the project which is funded through quarterly development grants. My earnest appeal is for more support from the government to enable the Polytechnic to develop more training facilities and in particular for the completion of the library project.

The Polytechnic was unable to participate in some sports during the year because the activities were cancelled due to funding challenges. However, NNP's drama team did extremely well and was able to represent TVET fraternity at the State Concert held at State Lodge, Sagana. The Institute initiated some activities targeted at climate change mitigation including setting up of several tree seedling nurseries and growing of 3000 trees in the Institute compound. As a form of corporate social responsibility, the Institute provided two watering points for the public to obtain tap water free of charge. This helped the neighbouring community especially during the dry season when drinking water was scarce.

Finally, I wish to express sincere gratitude to the Government of Kenya, the Board of Governors, staff, students, and all stakeholders for their continued support.

Thank you.



Mr. James B. Kinara -Principal / Secretary BOG (NNP)

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7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

The Nyamira National Polytechnic has 8 strategic themes and objectives within the current Strategic Plan for the FY 2023 - FY 2024. These strategic pillars are as follows:

Theme 1: Infrastructure development

Theme 2: Academic performance

Theme 3: ICT Integration

Theme 4: Linkages, partnerships and collaboration

Theme 5: Research, Science and Technological Development

Theme 6: Environmental Management

Theme 7: Governance

Theme 8: Strengthen accounting system

The Institute develops its annual work plans based on the above 8 themes. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Institute achieved its performance targets set for the FY 2021/2022 period for its 8 strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 1	Infrastructure development	To enhance a quality learning environment	Three workshops ICT Centre and a library well equipped	Request for government funding for library Procurement of training materials	Wrote to the MOE Procured computers & several training materials
Pillar / theme / issue 2	Academic performance	To provide adequate high quality education and training	Annual skill audit report modern and quality skills acquired by staff. Teaching effectiveness enhanced	Hire needed trainers Sponsor trainers for workshops etc Monitor teaching	Improved examination performance from 61% to 64%
Pillar / theme / issue 3	ICT Integration	To develop and integrate ICT in teaching,	Arch CAD and auto Cad software, Screens,	Procure hardware & software	Procured 13 computers, internet connectivity &

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Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
		learning, research and management	Digital content, Wireless internet, and Laptops procured.	Procure internet connectivity Procure LMS	Learning Management System (LMS)
Pillar / theme / issue 4	Linkages, partnerships and collaboration	To establish the Institute's resource base and develop linkages with national and international institutions and organizations	MOUs with the universities will be ready to accept.	MOUs in place	Initiated partnership with 20 tea factories in Nyamira, Kisii, Bomet and Kericho County and Riatirimba TVC.
Pillar / theme / issue 5	Research, Science and Technological Development	To undertake research, disseminate findings and develop innovations	Students and staff exhibit and present in KATTI, TVET Science and Technology fair.	Participation in TVET Fairs	Developed innovations and participated in the Regional TVET Fair hosted by Matili TTI.
Pillar / theme / issue 6	Environmental Management	Addressing climate change and promote environmental sustainability	500 trees planted Improved vegetation cover and landscape.	Planting trees	Planted 2000 trees in partnership with County Environment office
Pillar / theme / issue 7	Governance	Increasing efficiency and effectiveness of Institute management	Governance structures in place	Appointment of BOG Meetings	Held Board meetings as scheduled Operationalized 3 policies
Pillar / theme / issue 8	Strengthen Accounting Systems	To establish and strengthen financial and accounting systems	Professionally acceptable reports	Procurement of ERP	Procured and operationalized ERP

The Board of the Institute signed a performance contract with the Ministry of Education for the year 2023 / 2024 as has been the practice featuring targets derived from the strategic objectives as outlined in this report. Though the aftermath of the covid-19 pandemic affected effective implementation of some targets, the Institute has demonstrated commendable resilience which should reassure stakeholders of its capability to remain sustainable going forward.

8. Corporate Governance Statement

i) Introduction

The Board of the Nyamira National Polytecnic. is committed to the pursuit of higher standards of corporate governance and professional ethics. In the absence of good governance practices, effective and efficient service delivery suffers, and stakeholders lose confidence in the organization. The Board of the Institute therefore strives to adhere to the statutory and regulatory framework including the Constitution of Kenya (2010) and the TVET Act (2013) as well as other relevant government policies, circulars and guidelines.

ii) Board charter

The Charter is an important document that provides guidance to the Board in the execution of its oversight role. It is significant in spelling out the following among other functions.

- The separation of the roles, functions, responsibilities and powers of the board and its individual members.
- Powers delegated to the board committees.
- Matters reserved for final decision-making and approval by the board.
- Policies and practices of the board on matters of corporate governance, directors' declarations and conflict of interest, conduct of board and board committee meetings.
- Nomination, appointment, induction, ongoing training and performance evaluation of the board and its committees.

The Board has finalized its charter which has been operationalized to ensure that it effectively performs its roles as enshrined in the TVET Act, 2013.

iii) Appointment, Inauguration and Induction

The process of appointment of the Board as provided for in the relevant statute begins with nomination of potential members. The committee responsible for this exercise is composed of the Director TVET, the County Commissioner, the area Member of Parliament and the Principal of the Institute. This committee met on 23rd November 2020 and submitted a list of 27 nominees to the Cabinet Secretary in charge of Education who appointed and issued letters of appointment to 7 successful members. The Board was subsequently inaugurated on 23rd March 2021 followed by induction which was successfully undertaken from 23rd to 25th June 2021. Board members serve for a maximum of 2 terms of 3 years each.

The process of appointment is stipulated in the TVET Act 2013 and takes into account the involvement of the community who are represented by the member of Parliament for purposes of inclusivity. Board members undergo an induction and are given an overview of the Institute, new developments in the environment in which the Institute operates, accounting and financial

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reporting developments, as well as any regulatory changes. Members are also taken through their roles and responsibilities.

All Board members were due for retirement in the 2023/2024 financial year.

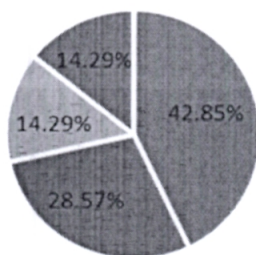
iv) Board Size, Composition and Diversity

The Board is composed of 7 independent members including the Chairman. The other members are the representative of the County Governor (yet to be nominated), the representative of the Principal Secretary, State Department for Vocational and Technical Training, and the Principal / Secretary to the Board. The diversity component is very significant to the quality of governance and oversight provided by the Board. It is therefore important to note that the current Board has members from diverse geographical and professional backgrounds. The following table provides information on Board composition and diversity.

v) Board Diversity (Independent Members)

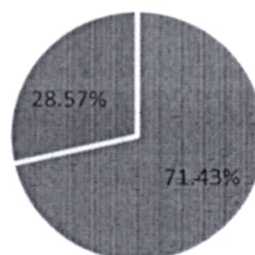
S/No.	NAME	HOME COUNTY	PROFESSIONAL BACKGROUND	GENDER
1.	Bob Ndubi	Nyamira	Finance	Male
2.	Elisha Ogada	Homabay	Education	Male
3.	Phoebe Makungu	Vihiga	H.R. Management	Female
4.	Samuel Makori	Nyamira	Agriculture	Male
5.	Lucy Wachira	Nyandarua	Business Management	Female
6.	Tom Macakiage	Migori	ICT	Male
7.	Kennedy Buko	Kisii	Engineering	Male

ETHNICITY



■ KISII ■ LUO ■ LUHYA ■ KIKUYU ■

GENDER REPRESENTATION



■ MALE ■ FEMALE

vi) The Role and Responsibilities of the Board

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The basic role of the board is to guide and provide oversight to the Institute towards sustainable long-term success through the exercise of objective and informed judgement in determining the strategy of the Institute, having the best team in place to execute that strategy, monitoring performance and maintaining an effective framework of controls to mitigate risks facing the Institute. To execute its mandate in a structured manner, the Institute Board has established board committees with specific roles and in the spirit of separation of powers and responsibilities. The committees handle agenda in detail and present reports to the board for adoption and approval. The committees as constituted in the year under review are provided in the table below

vii) Board Committees

S/No	COMMITTEE	MEMBERS	DESIGNATION
	Finance Resource Mobilization and Project Management (FIRMPROM)	Mr. Tom Macakiage Eng. Kennedy Buko Mr. Samuel Makori Mr. Tom Olango	Chairman Member Member Member
	Administration Research and Training Committee (ART)	Ms. Phoebe Makungu Dr. Elisha Ogada Mr. Samuel Makori Mr. Tom Olango	Chairperson Member Member Member
	Audit and Risk Management (ARM)	Ms. Lucy Wachira Ms. Phoebe Makungu Dr. Elisha Ogada Mr. Tom Olango	Chairperson Member Member Member

The Institute board determines its own agenda. In practice, the chairman and the secretary draw the annual board work plan and an agenda for the board meetings and present it to members for adoption. The Institute board meets at least four times a year and the meetings are structured in a way that allows for open discussions. Board papers are prepared and circulated to members for them to prepare and thus facilitate full and effective discussions at the meetings. A summary of board meetings and attendance is shown below.

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viii) Board Meetings and attendance for 2023/2024

NAME	DESIGNATION	MEETING DATES					
		14/07/23	10/10/23	25/10/23	12/01/24	26/01/24	28/06/24
Bob Ndubi	Chairman Board)	✓	✓	✓	✓	✓	✓
Tom Macakiage	Member (Board)	✓	✓	✓	✓	✓	✓
Elisha Ogada	Member Board)	✓	✓	✓	✓	✓	✓
Kennedy Buko	Member (Reappointed)	✓	✓	✓	✓	✓	✓
Lucy Wachira	Member (Reappointed)	✓	✓	✓	✓	✓	✓
Phoebe Makungu	Member (Reappointed)	✓	✓	✓	✓	✓	✓
Samuel Makori	Member (Reappointed)	✓	✓	✓	✓	✓	✓
Tom Olango	P.S. Representative	✓	✓	✓	-	-	-
Dr. John Osoro	P.S. Representative	-	-	-	✓	✓	✓
Andama Geoffrey	Secretary	✓	✓	✓	✓	✓	✓

9. Management Discussion and Analysis

i) Operational and Financial Performance of the Institute

During the year, the Institute’s student enrolment has continued to rise steadily reaching 2,300 during the year under review. The increase in population has exerted immense pressure on the limited training facilities including lecture rooms, workshops, and laboratories. The government funded library project coming up at a cost of Kshs. 59,891,337 remains incomplete with Kshs. 30,882,038 yet to be received. In the year under review, the Institute did not receive any monies for the project which is funded through quarterly development grants.

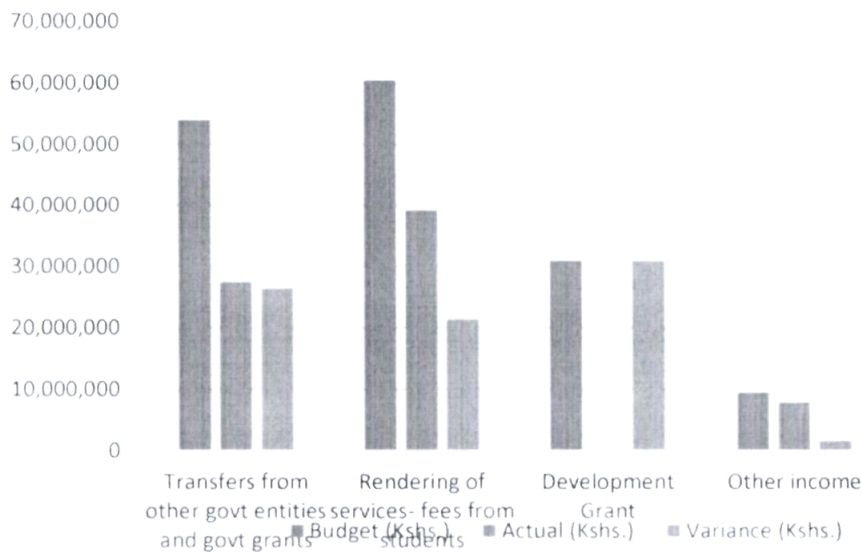
During the year, the Institute had a revenue budget of Kshs. 154,819,838 and total receipts of Kshs. 97,652,905.00, resulting in a revenue shortfall of Kshs 80,212,656.00 as depicted in the table and chart below:

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Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other govt entities and govt grants	54,000,000		54,000,000	27,563,809	26,436,191	51%
Rendering of services- fees from students	60,437,800		60,437,800	60,526,216	22,957,307	100%
Development Grant	30,882,038		30,882,038	0	30,882,038	0%
Other income	9,500,000		9,500,000	9,562,880	-62,880	101%
Total Income	154,819,838		154,819,838	97,652,905	80,212,656	63%

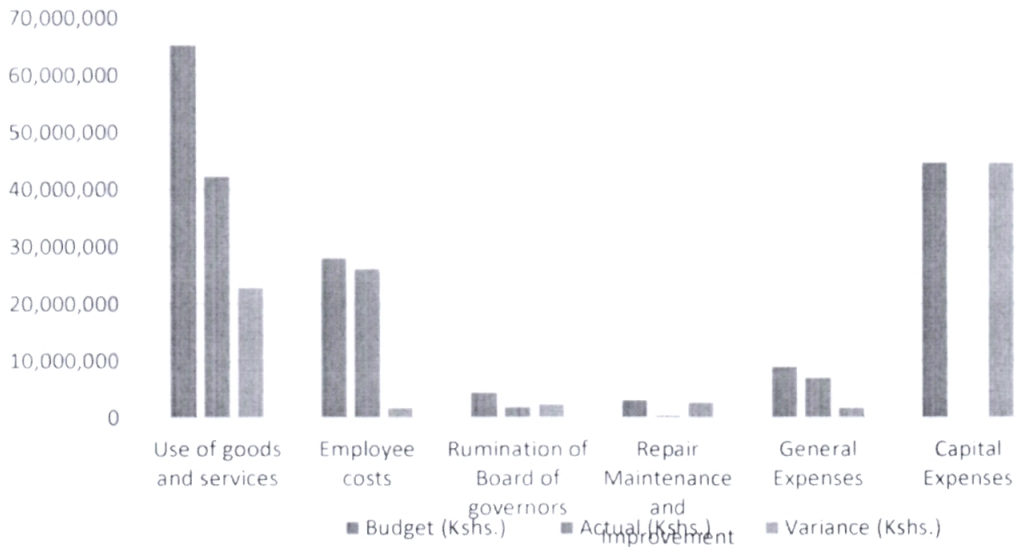
INCOME



Similarly, the Institute had payments budget of Kshs. 154,819,838 and total payments of Kshs. 85,930,421.00, resulting in under expenditure of Kshs. 68,889,417.00 as depicted in the table and chart below:

Expenses				
Employee costs	28,068,028		27,172,816	97%
Use of goods and services	65,334,365		49,303,737	75%
General expenses	8,950,000		7,014,928	78%
Board expenses	4,512,000		1,978,000	44%
Development expenses	44,712,208		-	0%
Repairs and maintenance	3,243,237		460,940	14%
Total Expenditure	154,819,838		85,930,421	56%
Surplus For the Period	0		11,722,484	
Capital Expenditure				

EXPENDITURE



ii) Institute’s Key Projects

Institute library

iii) Institute’s Compliance with Statutory Requirements

The Institute met all its statutory requirements (NHIF, NSSF, and P.A.Y.E & HELB REMITTANCES) in compliance with the laws governing them. The institute is therefore not exposed to any potential contingent liability.

iv) Major Risks Facing the Institute

No.	Risk	Risk Cause	Risk Level	Control/Action required
1	Fees arrears	Failure to collect fees	Moderate Risk	Fees paid system to be developed, recovery procedures to be implemented
2	Loss of data	Fire	High Risk	Fire drills carried out, procure fireproof cabinets, regular servicing of fire extinguishers, Insurance cover
3	Terror attack	Unauthorized access	High Risk	Have designated entry and exit gates, CCTC Severance, adequate guards
4	Inadequate reference materials	Few titles purchased	High Risk	To purchase more titles, provision of online learning materials

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No.	Risk	Risk Cause	Risk Level	Control/Action required
5	Low enrolment of students	Inadequate marketing Negative attitude to the course	Moderate Risk	Extensive marketing Provision of variety of market tailored courses
6	Accidents	Poor workshop management skills by staff and students	High Risk	Training both staff and students Induction of new students and staff Formulation of workshop/laboratories rules and regulations
7	Underutilized machines	Lack of skilled personnel	High Risk	Recruit skilled personnel Upskill personnel
8	Ineffective teaching	Lack of teaching materials	High Risk	Improve teaching/ learning resources
9	Hardware failure	Computers not properly maintained	High	Maintain computers
10	Data loss	Viruses	High	Install anti-viruses; offsite data back-up

v) Material Arrears in Statutory and other Financial Obligations

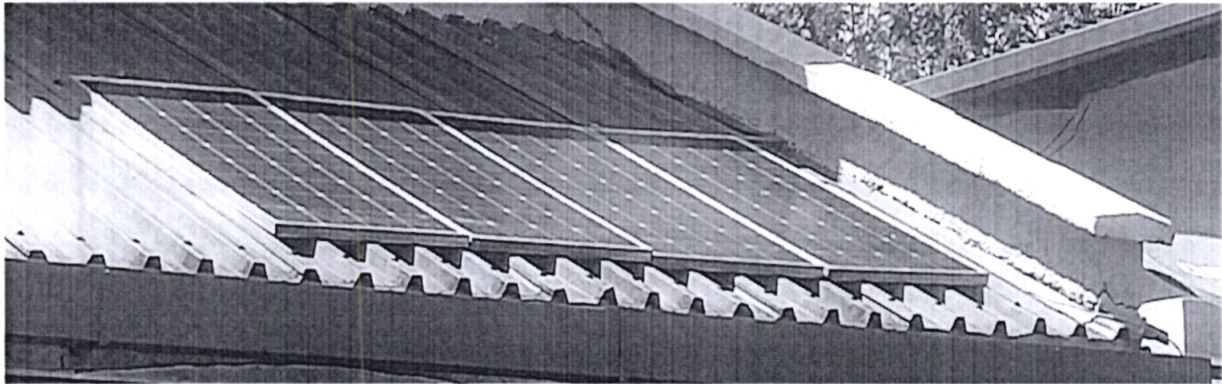
The Institute reported Ksh. 6,844,884.00 pending bills as at 30th June, 2024.

10.Environmental And Sustainability Reporting Statement

For the fiscal year 2023/2024, we have made significant strides in minimizing our environmental footprint and promoting sustainable practices across our organization. This report outlines our efforts, achievements, and future commitments towards environmental sustainability.

Environmental Impact Reduction NNP is committed to reducing its environmental impact through proactive measures and strategic initiatives. During the 2023/2024 fiscal year, we focused on the following key areas:

- **Energy Efficiency:** We implemented energy-saving technologies and optimized our energy management systems across some facilities, resulting in a 15% reduction in energy consumption by installing solar panels on the ICT lab.



Solar Panels

- **Waste Management:** NNP has prioritized waste reduction and recycling initiatives. We achieved a 5% reduction in waste sent to landfills by managing our disposal efforts and implementing a comprehensive waste management strategy.
- **Water Conservation:** Through efficient water management practices and innovative technologies, we reduced our water usage by 12% across our operations, supporting our commitment to water stewardship.

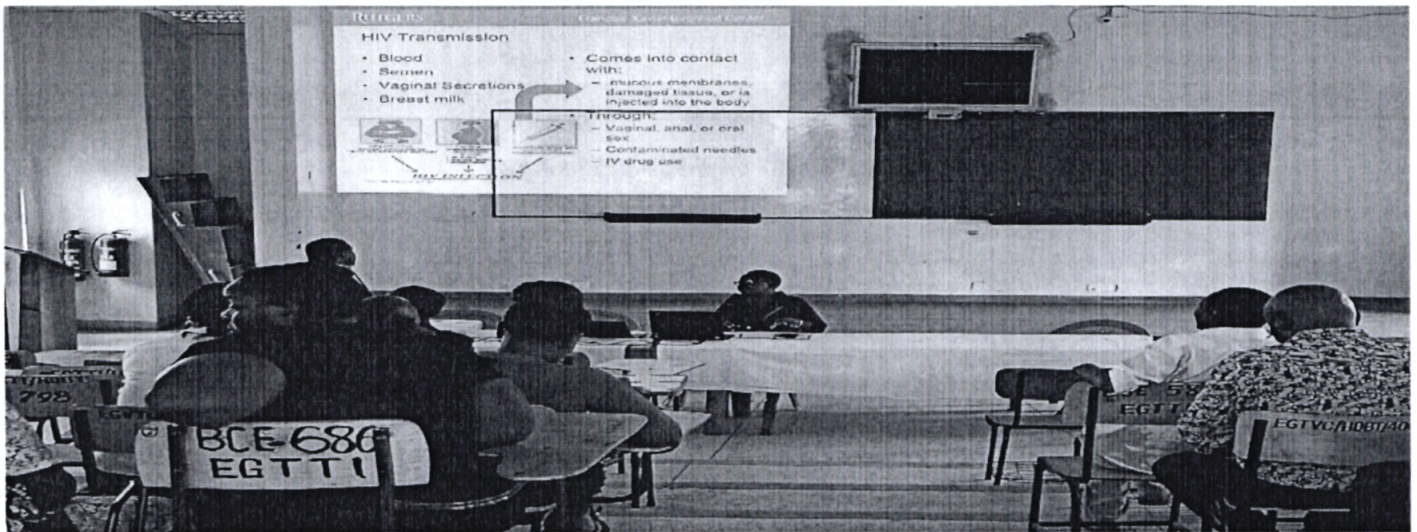
2. Sustainable Practices and Initiatives

NNP's commitment to sustainability extends beyond environmental impact reduction. We have embedded sustainability into our core business practices and community engagement activities:

- **Sustainable Supply Chain:** We have collaborated with our suppliers to ensure sustainable sourcing of raw materials. Over 70% of our suppliers now meet our sustainability criteria, up from 50% last year.
- **Product Innovation:** Our R&D teams have focused on developing eco-friendly products with lower environmental impact. In 2023/2024, we launched three new products that are 100% recyclable and made from renewable resources.
- **Community Engagement:** We engaged with local communities to promote environmental awareness and sustainability education. We conducted workshops and campaigns that reached over 5,000 individuals, fostering a culture of sustainability.

3. **Employee Engagement and Education** NNP believes that our employees are key to driving sustainability. Throughout the fiscal year, we have

- Training **Programs:** Conducted over 10 training sessions on environmental best practices,



sustainability goals, and waste management techniques for our employees.

- Green **Teams:** Established Green Teams in each department to spearhead sustainability initiatives and encourage a culture of environmental responsibility within the organization.

1. Sustainability Strategy and Profile

Introduction

At NNP, sustainability is integral to our long-term business strategy and operational model. Our commitment to sustainability encompasses environmental stewardship, social responsibility, and ethical governance. This strategy and profile document provides an overview of our sustainability efforts, the global and local trends influencing our priorities, our alignment with international best practices, and our key achievements and challenges during the 2023/2024 fiscal year.

2. Sustainability Efforts and Strategic Priorities

NNP's sustainability strategy focuses on three core pillars:

- **Environmental Sustainability:** Minimizing our environmental footprint through energy efficiency, waste reduction, water conservation, and carbon emission reductions.
- **Social Responsibility:** Fostering a diverse, inclusive, and equitable workplace while positively impacting the communities where we operate.
- **Governance and Ethics:** Upholding the highest standards of corporate governance, transparency, and ethical behaviour.

3. Influences of Political and Macroeconomic Trends

The sustainability priorities for NNP are shaped by various political and macroeconomic trends, including:

- **Regulatory Pressures:** Environmental and Sustainability Reporting Statement NNP 2023/2024 Fiscal Year. Increasingly stringent environmental regulations globally and locally have accelerated our shift towards greener practices.
- **Economic Uncertainty and Inflation:** The current macroeconomic environment, characterized by inflation and economic volatility, has highlighted the need for cost-effective sustainability measures. We have prioritized investments that not only improve environmental outcomes but also deliver cost savings, such as energy-efficient technologies like solar power.
- **Political Support for Green Transition:** There is growing political support for sustainable development at both national and international levels, including incentives for renewable energy investments and penalties for non-compliance with environmental standards. This has encouraged us to expand our green initiatives and align our goals with government policies.

4. Alignment with International Best Practices

NNP's sustainability strategy aligns with internationally recognized frameworks and standards:

- **United Nations Sustainable Development Goals (SDGs):** Our initiatives directly support key SDGs, including Goal 7 (Affordable and Clean Energy), Goal 12 (Responsible Consumption and Production), and Goal 13 (Climate Action).
- **Global Reporting Initiative (GRI) Standards:** We adhere to the GRI Standards for sustainability reporting, ensuring transparency and accountability in our environmental, social, and governance (ESG) disclosures.
- **Science-Based Targets Initiative (SBTi):** Our carbon reduction targets are validated by the SBTi, demonstrating our commitment to aligning our business with the Paris Agreement's goal of limiting global warming to 1.5°C.
- **Task Force on Climate-related Financial Disclosures (TCFD):** NNP integrates TCFD recommendations into our risk management and financial planning processes, enhancing our resilience to climate-related risks.

5. Key Achievements and Failures

Achievements:

- **Circular Economy Initiatives:** NNP launched a new circular economy program, which has reduced waste.
- **Diversity and Inclusion:** We implemented a comprehensive diversity and inclusion strategy, resulting in a 10% increase in the representation of underrepresented groups within our workforce.
- **Community Engagement:** We expanded our community investment program, contributing to local environmental conservation projects and education initiatives, benefiting over 5,000 individuals.

Challenges and Failures:

- **Water Management:** While we set a goal to reduce water usage by 15%, we achieved only a 5% reduction due to operational challenges and increased production demands. We are revisiting our water management strategy to identify more effective conservation measures.
- **Supply Chain Sustainability:** Efforts to ensure all suppliers meet our sustainability criteria fell short. We are implementing stricter monitoring and engagement programs to drive better supplier performance.
- **Employee Engagement in Sustainability:** Despite launching several initiatives to promote sustainability within our workforce, employee engagement levels remained static. We are planning more targeted communication and training programs to enhance awareness and participation.

6. Future Commitments and Strategic Direction

Looking ahead, NNP is focused on accelerating its sustainability efforts and addressing the challenges encountered:

- **Enhancing Renewable Energy Investments:** We aim to increase the share of renewable energy in our total consumption by 2025.
- **Improving Water Efficiency:** We are committed to achieving a 20% reduction in water wastage over the next four years by implementing advanced water harvesting and recycling technologies and optimizing processes.
- **Strengthening Supply Chain Resilience:** Our strategy includes expanding our network of sustainable suppliers and enhancing due diligence to ensure compliance with our sustainability standards.
- **Fostering a Culture of Sustainability:** We will intensify our efforts to engage employees in sustainability initiatives through innovative training programs, recognition schemes, and leadership development.

Environmental Performance

1. Introduction

Nyamira National Polytechnic (NNP) is committed to fostering an environmentally sustainable future through responsible management of its operations and activities. This document outlines NNP's environmental performance, focusing on its environmental policy, successes, challenges, and initiatives aimed at reducing its ecological footprint.

2. Environmental Policy of NNP

NNP's environmental policy is guided by a commitment to sustainability and environmental stewardship. The policy is designed to ensure that all activities at the Polytechnic are conducted in an environmentally responsible manner. Key elements of the policy include:

- **Compliance with Environmental Regulations:** NNP is committed to adhering to all relevant local, national, and international environmental laws and regulations.
- **Sustainable Resource Use:** The Polytechnic promotes efficient use of natural resources, including water and energy, to minimize waste and reduce environmental impact.
- **Waste Reduction and Recycling:** NNP aims to reduce waste generation and increase recycling rates through comprehensive waste management strategies.
- **Biodiversity Conservation:** The Polytechnic is dedicated to preserving local biodiversity and minimizing its impact on natural habitats.
- **Environmental Education:** NNP integrates environmental education into its curriculum and promotes awareness among trainees, staff, and the surrounding community.

Evidence of Policy Implementation:

NNP's environmental policy is reflected in several initiatives and programs implemented across the institution:

- **Green Campus Initiative:** Launched in 2023, this initiative aims to create a sustainable campus environment through energy-efficient buildings, waste segregation, and water conservation practices.
- **Environmental Management System (EMS):** NNP has developed an EMS that includes regular audits, monitoring, and reporting on environmental performance to ensure continuous improvement.

3. Successes in Environmental Performance

NNP has made significant strides in improving its environmental performance, including:

- **Energy Efficiency:** The Polytechnic installed solar panels across some buildings, reducing reliance on non-renewable energy sources and cutting electricity costs by 10%.
- **Waste Reduction:** NNP successfully implemented a waste segregation program, resulting in 20% reduction in waste sent to landfills.
- **Water Conservation:** Through the installation of water-saving devices and rainwater harvesting systems, the Polytechnic reduced water consumption by 25% over the fiscal year.

4. Shortcomings and Challenges

Despite these achievements, NNP faced several challenges in its environmental efforts:

- **Limited Resources:** Financial constraints have hindered the full implementation of some sustainability projects, such as expanding renewable energy infrastructure and improving waste management facilities.
- **Lack of Awareness:** While the Polytechnic has made efforts to promote environmental awareness, there is still a need for greater engagement among trainees and staff to foster a culture of sustainability.
- **Biodiversity Impact:** The expansion of campus facilities has occasionally impacted local biodiversity, underscoring the need for more comprehensive planning and mitigation measures.

5. Efforts to Manage Biodiversity

NNP recognizes the importance of protecting local biodiversity and has undertaken several initiatives to manage and conserve natural habitats:

- **Tree Planting Campaigns:** In partnership with local environmental organizations, NNP has organized tree planting events, planting over 10,000 exotic and 3000 indigenous trees on and around the campus to enhance green cover and promote biodiversity.



- **Habitat Conservation:** The Polytechnic has designated specific areas on campus as biodiversity zones, where natural vegetation is preserved, and human activities are minimized to protect local flora and fauna.
- **Collaboration with Conservation Groups:** NNP collaborates with local and national conservation groups to monitor and protect endangered species in the region, ensuring that development projects do not adversely affect local ecosystems.

6. Waste Management Policy and Efforts

NNP's waste management policy is centered on reducing waste generation, promoting recycling, and minimizing the environmental impact of waste disposal:

- **Waste Segregation:** NNP has implemented a comprehensive waste segregation program that categorizes waste into recyclables, organic, and non-recyclable waste. This has led to a significant increase in recycling rates and reduced waste sent to landfills.
- **Recycling Initiatives:** The Polytechnic collaborates with local recycling companies to ensure that recyclable materials, such as paper, plastic, and metal, are properly processed and reused.
- **Organic Waste Management:** NNP has established composting facilities on campus to manage organic waste from the cafeteria and landscaping activities. The compost produced is used to enrich the soil in campus gardens and green spaces.

7. Efforts to Reduce Environmental Impact of Products

NNP is committed to reducing the environmental impact of its products and services by adopting sustainable practices:

- **Sustainable Procurement:** The Polytechnic prioritizes the procurement of eco-friendly products, including recycled paper, energy-efficient equipment, and biodegradable cleaning supplies.
- **Curriculum Development:** NNP integrates sustainability into its curriculum, encouraging trainees to develop innovative solutions for reducing the environmental impact of products and services in various sectors.
- **Research and Innovation:** The Polytechnic supports research and innovation aimed at developing sustainable technologies and practices, including renewable energy projects, waste-to-energy initiatives, and sustainable agriculture programs.

Employee Welfare

1. Introduction

Nyamira National Polytechnic (NNP) is committed to fostering a supportive and inclusive workplace that prioritizes the well-being, development, and safety of its employees. This document outlines the Polytechnic's employee welfare policies, including hiring practices, gender considerations, stakeholder engagement, skill development, career management, appraisal and reward systems, and adherence to safety regulations.

2. Policies Guiding the Hiring Process

NNP's hiring process is governed by a set of policies designed to promote fairness, diversity, and inclusivity:

- **Equal Opportunity Employment:** NNP is an equal opportunity employer, committed to ensuring that all hiring decisions are made based on merit, without discrimination based on gender, race, ethnicity, religion, disability, or any other protected characteristic.
- **Gender Ratio Considerations:** The Polytechnic actively promotes gender diversity in its workforce. The hiring policy mandates that recruitment panels consider gender balance when making hiring decisions to ensure that the gender ratio in various departments reflects the broader goals of inclusivity and diversity. Currently, NNP aims to maintain a minimum gender ratio of 40:60 for both male and female employees across all departments.
- **Stakeholder Engagement in Hiring:** The hiring process at NNP involves stakeholder engagement, including input from department heads, human resource personnel, and occasionally, representatives from relevant external bodies to ensure that recruitment aligns with both institutional needs and community expectations.
- **Continuous Improvement:** The hiring policies are reviewed annually to incorporate feedback from employees and stakeholders, adapt to changing workforce dynamics, and align with best practices in human resources management.

3. Efforts in Improving Skills and Managing Careers

NNP is dedicated to supporting the continuous professional development and career growth of its employees through several initiatives:

- **Training and Development Programs:** The Polytechnic offers regular training sessions, workshops, and seminars to enhance employees' skills and knowledge. These programs cover a range of topics, including technical skills, leadership, communication, and digital literacy.
- **Career Development Plans:** Each employee is encouraged to create a personalized career development plan in consultation with their supervisor. This plan outlines the employee's career aspirations, skill gaps, and steps for achieving their goals, supported by targeted training and development opportunities.
- **Mentorship Programs:** NNP has established a mentorship program where experienced staff members provide guidance, support, and career advice to newer or less experienced employees, fostering a culture of learning and collaboration.
- **Internal Mobility and Promotions:** The Polytechnic promotes internal mobility by providing opportunities for employees to apply for open positions within the organization, thus supporting career advancement and employee retention.

4. Appraisal and Reward Systems

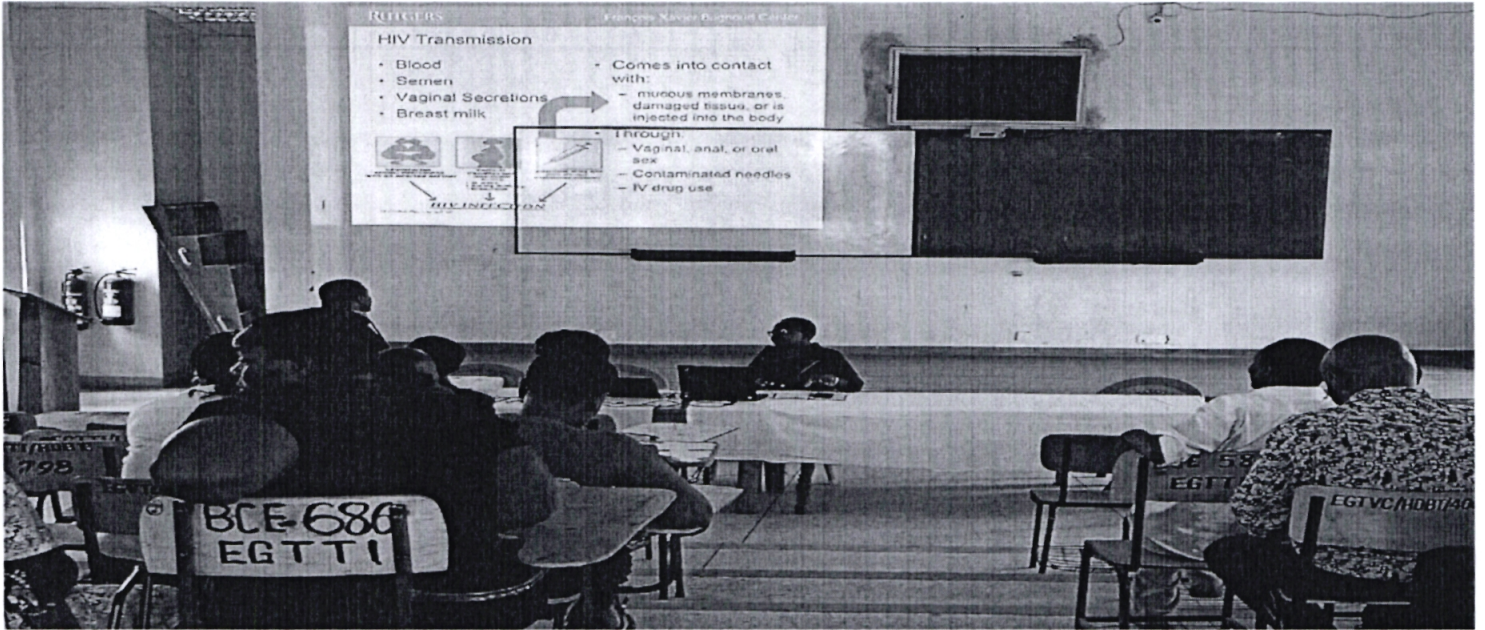
To recognize and reward employee contributions, NNP has implemented a comprehensive appraisal and reward system:

- **Performance Appraisals:** NNP conducts annual performance appraisals for all employees. The appraisal process is transparent and involves setting clear performance goals, providing regular feedback, and evaluating achievements against these goals. Employees are encouraged to participate actively in the appraisal process through self-assessments and discussions with their supervisors.
- **Merit-Based Rewards:** The Polytechnic operates a merit-based reward system that recognizes and rewards outstanding performance. Employees who demonstrate exceptional skills, contribute to the achievement of organizational goals, or go above and beyond their job responsibilities are eligible for various rewards, including bonuses, salary increments, and promotions.
- **Non-Monetary Recognition:** In addition to financial rewards, NNP also offers non-monetary recognition, such as Employee of the Month awards, certificates of appreciation, and opportunities for professional development.

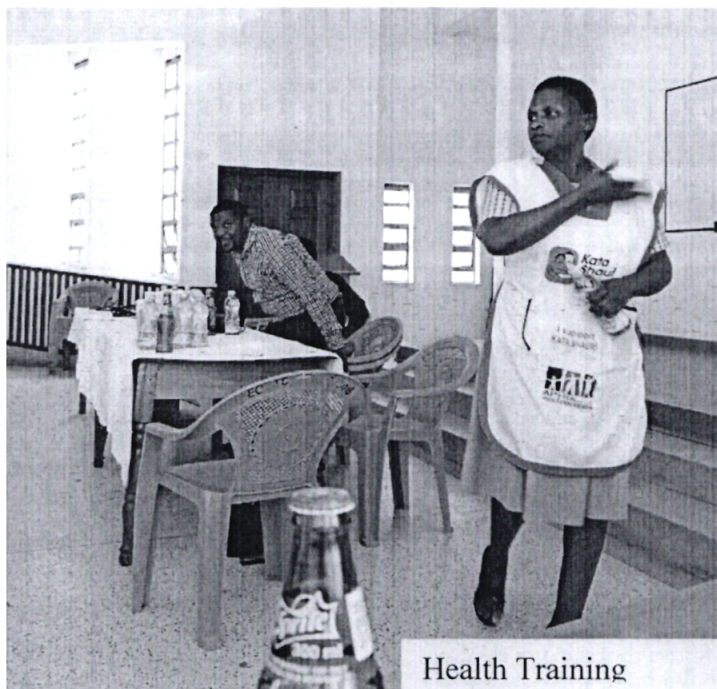
5. Safety Policy and Compliance with Occupational Safety and Health Act (OSHA) 2007

NNP is fully committed to ensuring a safe and healthy work environment for all its employees and complies with the Occupational Safety and Health Act of 2007 (OSHA):

- **Health and Safety Policy:** NNP has established a comprehensive health and safety policy that outlines the responsibilities of both the management and employees in maintaining a safe workplace. The policy includes guidelines on risk assessments, emergency preparedness, accident reporting, and the use of personal protective equipment (PPE)
- **Safety Training and Awareness:** Regular safety training sessions are conducted to ensure that all employees are aware of potential workplace hazards and are equipped with the knowledge and skills to mitigate these risks. Training topics include fire safety, first aid, handling hazardous materials, and ergonomics.



- **Occupational Health Services:** NNP provides access to occupational health services, including regular health check-ups, wellness programs, and support for employees with work-related injuries or illnesses. During the year under review, NNP partnered with Oasis Doctors' Hospital, Nyamira and offered free screening to members of staff.



Compliance with OSHA 2007: The Polytechnic ensures full compliance with the Occupational Safety and Health Act of 2007 by conducting regular safety audits.

Market Place Practices

1. Introduction

Nyamira National Polytechnic (NNP) is committed to maintaining high ethical standards and responsible business practices in all aspects of its operations. This document outlines NNP's efforts in promoting responsible competition, maintaining a fair and ethical supply chain, practicing responsible marketing, ensuring product stewardship, and engaging in community initiatives.

2. Responsible Competition Practices

NNP is dedicated to fostering a competitive environment that is fair, transparent, and free from unethical practices. The organization ensures responsible competition by focusing on the following key areas:

- **Anti-Corruption Measures:** NNP has a zero-tolerance policy toward corruption and unethical behavior. The Polytechnic has implemented strict anti-corruption policies and conducts regular training sessions for staff on identifying and preventing corrupt practices. All employees are required to adhere to a Code of Conduct that emphasizes integrity and ethical behavior.
- **Responsible Political Involvement:** NNP maintains a neutral stance in political matters and refrains from engaging in political activities or making contributions to political parties or candidates. The organization focuses on creating an inclusive and unbiased environment, free from political influences, and encourages its staff to act in accordance with this policy.
- **Fair Competition:** NNP adheres to principles of fair competition and avoids engaging in practices that could harm competitors or distort the marketplace. The organization complies with all relevant competition laws and regulations and promotes a culture of respect and fairness towards competitors.
- **Respect for Competitors:** NNP respects its competitors and engages in healthy competition. The Polytechnic avoids negative or misleading statements about competitors and focuses on promoting its own strengths and achievements to attract trainees and stakeholders.

3. Responsible Supply Chain and Supplier Relations

NNP is committed to maintaining responsible and ethical supply chain practices, ensuring fairness and integrity in all supplier relationships:

- **Ethical Sourcing:** NNP strives to source goods and services from suppliers who share its commitment to ethical business practices. The Polytechnic conducts due diligence on suppliers to ensure they adhere to environmental, social, and governance (ESG) standards, including fair labor practices, human rights, and environmental sustainability.

- **Honoring Contracts and Payment Practices:** NNP maintains good business practices by honoring all contractual obligations with suppliers. The organization ensures timely payments for goods and services rendered and fosters transparent and fair negotiations in all supplier agreements.
- **Supplier Engagement and Development:** NNP actively engages with its suppliers to build strong, collaborative relationships. The Polytechnic provides feedback and support to help suppliers improve their practices and meet NNP's ethical standards. Regular supplier meetings and workshops are conducted to discuss challenges and share best practices.

4. Responsible Marketing and Advertisement

NNP is committed to maintaining ethical marketing practices that are truthful, transparent, and respectful of consumer rights:

- **Truthful Advertising:** All marketing and advertising materials produced by NNP are accurate, clear, and truthful. The Polytechnic avoids misleading claims about its programs, facilities, or achievements and ensures that all promotional content complies with relevant advertising regulations.
- **Respectful Communications:** NNP strives to communicate with its stakeholders respectfully and professionally. The organization avoids using language or imagery that could be considered offensive, discriminatory, or inappropriate in any marketing materials.
- **Transparency in Information:** NNP provides comprehensive and transparent information about its programs, admissions processes, fees, and policies. Prospective trainees and other stakeholders are given clear and accurate information to make informed decisions.

5. Product Stewardship

NNP is dedicated to safeguarding the rights and interests of its consumers, primarily its trainees, through responsible product stewardship:

- **Quality Education:** NNP is committed to providing high-quality education that meets or exceeds the expectations of its trainees and stakeholders. The Polytechnic regularly reviews and updates its curriculum to ensure it is relevant, comprehensive, and aligned with industry standards.
- **Student Rights and Protection:** NNP has established policies and procedures to protect the rights and interests of its trainees. This includes providing clear information about tuition fees, refund policies, and grievance procedures. The Polytechnic also ensures that trainees have access to support services, including academic advising, counseling, and career guidance.
- **Feedback and Continuous Improvement:** NNP encourages feedback from trainees, parents, and other stakeholders to continuously improve its programs and services. The Polytechnic regularly conducts surveys and focus groups to gather input and uses this feedback to make informed decisions and enhance its offerings.

6. Community Engagement Initiatives

NNP actively participates in community development initiatives to promote education, sports, healthcare, labor relations, staff training, and water and sanitation:

- **Promoting Education:** NNP is committed to promoting education within the local community. The Polytechnic organizes outreach programs, workshops, and seminars to raise awareness about the importance of education and provide opportunities for local youth to learn and develop new skills.
- **Sports Development:** NNP supports sports and physical activities as a part of holistic education. The Polytechnic has invested in sports facilities and organizes regular sports events and competitions to encourage physical fitness, teamwork, and sportsmanship among trainees.



- **Healthcare Initiatives:** NNP partners with local healthcare providers to offer health services and wellness programs for trainees, staff, and the community. The Polytechnic conducts regular health camps, screenings, and awareness sessions to promote health and well-being.
- **Labor Relations:** NNP maintains positive labor relations by fostering a respectful and inclusive workplace. The Polytechnic engages in regular dialogue with employees and their representatives to address concerns and ensure fair treatment for all staff.

- **Staff Training and Development:** NNP is committed to the continuous professional development of its staff. The Polytechnic provides opportunities for staff training and development, including workshops, seminars, and courses to enhance skills and knowledge.
- **Water and Sanitation Initiatives:** NNP promotes water conservation and sanitation practices within the campus and the local community. The Polytechnic has implemented water-saving measures, such as rainwater harvesting and efficient water usage, and conducts awareness programs on sanitation and hygiene.

Corporate Social Responsibility (CSR) and Community Engagements

1. Introduction

Nyamira National Polytechnic (NNP) is committed to being a responsible corporate citizen by actively engaging in Corporate Social Responsibility (CSR) and contributing positively to the local community and society at large. This document provides an overview of NNP's CSR activities and community engagements during the fiscal year 2023/2024, highlighting the impact of these initiatives on society.

2. Overview of CSR Activities

NNP has undertaken several CSR activities during the year to address various social, economic, and environmental issues. These activities are aligned with NNP's commitment to sustainability, community development, and social welfare. The key areas of focus include:

- **Education and Skill Development**
- **Healthcare and Wellness**
- **Environmental Conservation**
- **Charitable Giving and Community Support**

3. Education and Skill Development Initiatives

NNP recognizes the importance of education and skill development in empowering individuals and fostering community growth. Key initiatives undertaken include:

- **Capacity-Building Workshops:** NNP organized a series of capacity-building workshops for local youth, focusing on vocational skills such as ICT, tailoring, and computer literacy. These workshops were designed to equip participants with practical skills, enhance employability, and support local economic development.



Capacity building workshop

- **Partnerships with Local Schools:** NNP collaborated with several local primary and secondary schools to provide mentorship programs, career guidance sessions, and teacher training workshops. These efforts aim to improve the quality of education and inspire trainees to pursue higher education and vocational training.

Impact on Society:

The education and skill development initiatives have had a significant impact on the local community by increasing access to education, enhancing employability, and promoting lifelong learning. The capacity-building workshops have provided essential skills to empower youth and support local economic development.

4. Healthcare and Wellness Initiatives

NNP is committed to promoting the health and well-being of its community. Key healthcare and wellness initiatives undertaken include:

- **Health Camps and Screenings:** NNP organized several free health camps and medical screening sessions in partnership with local healthcare providers like OASIS Doctors.

These camps offered general health check-ups, eye exams, dental care, and immunizations to over 500 community members, particularly targeting underserved populations.

- **Mental Health Awareness Campaigns:** Recognizing the importance of mental health, NNP launched a mental health awareness campaign that included workshops, seminars, and counseling sessions for trainees, staff, and community members. The campaign focused on stress management, depression, and anxiety, and provided resources for seeking professional help.
- **Nutrition and Wellness Programs:** NNP conducted nutrition and wellness programs to educate the community about healthy eating habits, exercise, and preventive healthcare. These programs included cooking demonstrations, fitness sessions, and nutritional counseling.
- **Impact on Society:**

The healthcare and wellness initiatives have significantly improved community health outcomes by providing access to essential healthcare services, raising awareness about mental health issues, and promoting healthy lifestyles. The health camps and screenings have facilitated early detection and treatment of various health conditions, while the mental health and wellness programs have enhanced awareness and reduced stigma.

5. Environmental Conservation Initiatives

NNP is dedicated to environmental stewardship and has undertaken several initiatives to promote environmental conservation and sustainability:

- **Tree Planting Campaigns:** NNP conducted tree planting campaigns in collaboration with local environmental organizations, planting over 2,000 trees in deforested areas and within the Polytechnic's campus. This initiative aims to enhance local biodiversity,



combat climate change, and promote a green environment.

Stakeholders planting Trees

- **Clean-Up Drives:** NNP organized community clean-up drives to raise awareness about waste management and environmental hygiene. These events, involving trainees, staff, and community members, focused on cleaning public spaces, removing litter, and educating the community about proper waste disposal practices.
- **Recycling and Waste Management Workshops:** NNP hosted workshops on recycling and waste management to educate the community about reducing waste, reusing materials, and recycling. The workshops included demonstrations on composting, plastic recycling, and upcycling household waste.



Impact on Society:

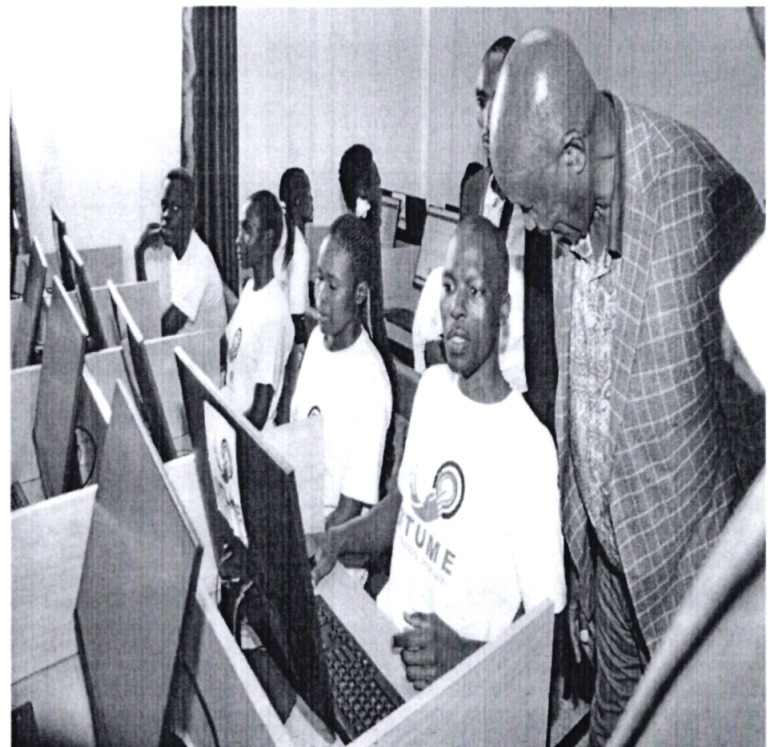
The environmental conservation initiatives have positively impacted the community by promoting a cleaner and greener environment, raising awareness about environmental sustainability, and encouraging community participation in conservation efforts. The tree planting campaigns have contributed to reforestation and enhanced local biodiversity, while the clean-up drives and workshops have fostered a culture of environmental responsibility.

6. Charitable Giving and Community Support

NNP is actively involved in charitable giving and community support activities to address social needs and support vulnerable populations:

- **Material Donations:** NNP donated essential items, including food, clothing, and educational supplies, to vulnerable groups, elderly and schools for children with disabilities. These donations aimed to provide immediate relief to those in need and support community welfare.

Corporate Social Investment (CSI): NNP invested in building a water reservoir tank and outlets to provide a safe and usable water. The ICT lab is equipped with computers,



and internet access to promote education and lifelong learning. Jitume Lab

Impact on Society:

NNP's charitable giving and community support activities have had a meaningful impact on vulnerable populations by providing essential resources, enhancing educational opportunities, and supporting community resilience during emergencies. The material donations have provided much-needed relief to those in need while the Jitume Lab has provided the necessary skills to generate income.

7. Other Community Engagements

NNP has also been actively involved in other forms of community engagement to support social development and well-being:

- **Sports Development Programs:** NNP organizes sports tournaments and events to promote physical fitness, teamwork, and social cohesion among community members. The Polytechnic also provides access to its sports facilities for local youth groups and schools.



- **Water and Sanitation Projects:** NNP has undertaken water and sanitation projects to improve access to clean water and sanitation facilities in the community. These projects include the installation of water tanks, construction of sanitary facilities, and community education on hygiene practices.

THE NYAMIRA NATIONAL POLYTECHNIC
Annual Report and Financial Statements for the year ended 30th June 2024

11. Report of the Board of Management

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

Principal activities

The principal activities of the entity are set in page 5

Results

The results of the entity for the year ended June 30 2024 are set out on page 1 to 42

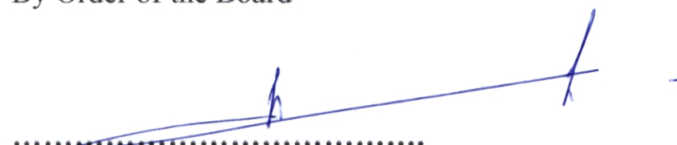
Board of Governors

The members of the Board who served during the year are shown on page 9 to 13. During the year director Tom olango was transferred and was replaced by Dr. John Osoro with effect from December 2023.

Auditors

The Auditor General is responsible for the statutory audit of the *Nyamira National Polytechnic* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. The TNNP for the year ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary to the Governing Council
Nyamira
Date: 12/06/2025

12. Statement of Board of Management Responsibilities

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

The Board members are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.


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

In preparing the financial statements, the Principal has assessed the Institute's ability to continue as a going concern. Nothing has come to the attention of the Board to indicate that the Institute will not remain a going concern for at least the next twelve months from the date of this statement.

The Nyamira National Polytechnic's financial statements were approved by the Board on 27th September 2024 and signed on its behalf by:



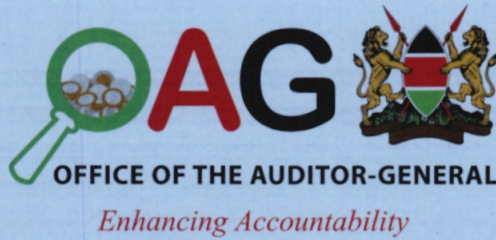
Name Bob Ndubi
Chairperson of the Board



Name James B. Kinara
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NYAMIRA NATIONAL POLYTECHNIC FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Nyamira National Polytechnic set out on pages 1 to 38, which comprise the statement of financial position as at

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

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The annual report and financial statements of the Polytechnic had the following inaccuracies:

i) The report of the principal on page xvii shows tuition fees collected and total revenue of Kshs.70,089,096 and Kshs.97,652,925 while the statement of financial performance shows Kshs.60,526,216 and Kshs.97,652,905, respectively.

Further, the report of the principal on page xvii shows actual expenditure of Kshs.85,996,016 while the statement of financial performance shows Kshs.107,142,382.

ii) The operational and financial performance of the Polytechnic at page xxiv shows revenue shortfall of Kshs.80,275,062 while the statement of comparison of budget and actual amounts shows amounts of Kshs.57,166,933.

iii) The statement of financial performance and Note 6 to the financial statements reflect comparative transfers from National Government entities of Kshs.54,000,000 while the statement of cash flow reflect Kshs.20,800,000 for the item.

iv) The statement of cash flow reflects finance costs of Kshs.69,959 which differs with the amount of Kshs.65,959 and Kshs.65,595 disclosed in the statement of financial performance and Note 15 to the financial statements, respectively.

v) The statement of financial performance reflects general expenses of Kshs.7,014,928 while the statement of comparison of budget and actual amounts reflects actual amounts Kshs.7,080,887.

vi) The statement of financial position reflects current portion of receivables from exchange transaction balance of Kshs.55,942,364 which differs with Nil balance reflected

on page 7, under the reconciliation of total actual reported in the statement of comparison of budget and actual amounts and total actual reflected in the statement of financial performance.

vii) The statement of comparison of budget and actual amounts reflects general expenses and total expenditure amounts of Kshs.7,080,887 and Kshs.85,996,380 which differs with the amounts of Kshs.7,014,928 and Kshs.107,142,382, respectively, reflected in the statement of financial performance.

viii) The statement of financial performance reflects total expenses and deficit of Kshs.107,142,382 and Kshs.9,489,477, respectively, instead of the correct casted amounts of Kshs.107,142,746 and Kshs.9,489,841, respectively.

ix) The table of content shows Appendices as number 20 instead of number 28.

In the circumstances, the accuracy and completeness of the financial statements could not be determined.

2. Variances Between the Financial Statements and the Payroll Amount

The statement of financial performance reflects employees' costs of Kshs.27,172,816. However, variances between the financial statements and the individual payroll amounts noted were as analysed below;

Description	Amount as per Financial Statements	Amount as per Payroll	Variance
Salaries and Wages	21,665,062	18,140,576	(3,524,486)
NSSF	2,168,100	2,408,806	240,706
NHIF	702,600	685,700	(16,900)
PAYE	758,615	815,239	56,624
Welfare	124,000	181,323	57,323
HELB	80,000	104,000	24,000
Sacco	437,198	357,045	(80,153)
Housing Levy	231,300	611,340	380,040

In the circumstances, the accuracy and completeness of employee costs of Kshs.27,172,816 could not be confirmed.

4. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects current receivables from exchange transactions-student debtors balance of Kshs.51,993,980. The balance includes fees arrears of Kshs.29,401,815 which has been outstanding for more than one year as disclosed in Note 18 (c) to the financial statements. Management has not disclosed the measures put in place to recover the long outstanding debts. Further, there is no provision made for impairment of the bad and doubtful debts.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions could not be confirmed.

5. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.490,546,197, which includes Kshs.91,400,000, being value of two (2) parcels land. The land is registered under St. Stephens Egetai Technical Training Institute (EGTTI) registration No. North Mugirango/ Boisanga/4683 and North Mugirango/Boisanga/4688, and they measure 10.4 Ha or 25.6 acres and 2.4 Ha or 6.0 acres, respectively. However, the land ownership documents were not provided for audit review. Management explained that the authentication process of the title deeds for change of name is ongoing.

Further, the Polytechnic asset register had not been updated to reflect the net book values of assets as at 30 June, 2024 as is also disclosed in the asset movement schedule Note 21 to the financial statements.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.490,546,197 could not be confirmed.

6. Delayed Completion of Library Building

The statement of financial position reflects property, plant and equipment balance of Kshs.490,546,197 which includes Kshs.26,304,356 being capital work in progress-construction of library building. The contract for the project was awarded at a contract sum of Kshs.48,819,382 and later revised to Kshs.59,891,337. The contract period was thirty-six weeks ending on 14 April, 2016 with payment of Kshs 26,304,361 made to date. However, the project stalled more than 8 years ago and verification carried out on 25 April, 2025, revealed that the contractor was not on site. Management attributed the delayed completion to the failure to disburse funds. As a result, terms and conditions for grading of the institution to a Polytechnic standard have not been met.

In the circumstances, the delayed completion of the project is likely to escalate its cost and delay services delivery. The value for money for the expenditure of Kshs 26,304,361 has not been realized.

7. Trade and Other Payables from Exchange Transactions

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.6,844,884 which includes audit fees and employees salary arrears of Kshs.1,740,000 and Kshs.988,341, respectively, as disclosed in Note 24 to the financial statements. However, supporting documents including invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.6,844,884 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Nyamira National Polytechnic Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects revenue budget and actual on comparable basis of Kshs.154,819,838 and Kshs.97,652,905 resulting to under collection of Kshs.57,166,933 or 37% of the budget. Similarly, the Polytechnic expended Kshs.85,996,380 against actual receipts of Kshs.97,652,900, resulting to an under-absorption of Kshs.11,656,525 or 12% of the total receipts.

The underfunding affected the implementation of planned activities and programs and may have impacted negatively on service delivery to the public.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved all the issues contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding.

Other Information

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

In connection with my audit on the Polytechnic's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. Based on the audit procedures performed, I confirm that the Other Information is materially inconsistent with the financial statements.

i) The total revenue of Kshs.97,652,925 in the report of the principal on page xvii is materially inconsistent with the financial statement.

ii) The total expenditure of Kshs.85,996,016 in the report of the principal on page xvii is materially inconsistent with the financial statement.

iii) The actual receipts and revenue shortfall of Kshs.97,652,905 and Kshs.80,212,656 in the operational and financial performance of the Polytechnic on page xxiv are materially inconsistent with the financial statement.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Un-Authorized Expenditure

Review of the expenditure sub-items under use of goods and services revealed over-expenditure indicated below:

	Description	Amounts as per Financial Statements	Amount as per the Budget	Variance
1	Local Transport & Travelling	12,886,500	8,573,400	(4,313,100)
2	Marketing	2,176,631	-	(2,176,631)

The approval for the over-expenditure was not provided for audit review.

2. Regularity of Human Resource Management

Records available indicate that the Polytechnic recruited five (5) officers in February, 2024. However, the officers were not confirmed after completion of six (6) months' probation period and no report on performance evaluation was provided for audit review to confirm they had not qualified for confirmation. This is contrary to policy B.16 (1) of the Human Resource Policies and Procedures Manual for the Public Service of May, 2016 which requires recruited employee to be on probation for a maximum period six (6) months and thereafter sign contract agreement.

Further, the Polytechnic has not employed any Person with disability contravening section A.22 of the Human Resource manual which requires at least 5% of all appointments to be reserved for persons with disabilities.

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

3. Lack of Value for Money

The polytechnic paid an amount of Kshs.2,688,000 on 20 March, 2024 for bank integration process with ERP systems. However, the process has not been completed to date and no satisfactory reasons was provided for the delay.

In the circumstances, the value for money of Kshs.2,688,000 expended has not been realized.

4. Non-Compliance with Law on Ethnic Composition

As at 30 June, 2024, the Polytechnic had a total of forty-one (41) employees out of which 36 of them or 90% were from the dominant local community contrary to provision of Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which requires all public entities to ensure the actual staff establishment reflect diversity of the people of Kenya and no community have more than one-third of the actual establishment.

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

5. Irregularities in Board Allowances

The statement of financial performance and as disclosed in Note 12 to the financial statements reflect board expenses of Kshs.1,978,000, being board sitting allowances. However, the allowances were neither subjected to PAYE deductions nor filed on iTax, contrary to Section 3 (2) (a) (ii) of the income Tax Act 1974.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Inadequate Cash Management

Review of payments records revealed that officers received cash advances for travelling, transport and accommodation expenses and procurement of general office items. The officers were also reimbursed expenses incurred in the course of duty. Management does not use imprest system to fund activities that can only be funded through cash, and therefore, the accountability checks envisaged by regulation 93 of the Public Finance Management (National Government) Regulations, 2015 are lacking.

The economy, efficiency and effectiveness in the use of public funds may, therefore, not be achieved.

2. Poor Internal Controls for the Inventory

The statement of financial position and as disclosed in Note 20 to the financial statements reflect inventories balance of Kshs.4,706,661. However, the Polytechnic does not have an effective inventory control management system. The system does not give accurate stock operation reports on a quarterly basis and at the end of the year. It is, therefore, difficult to monitor the stock movement and determine the stock-out and the re-order level. Further, there are no periodic reports from and to the stores after carrying out inspection.

In the circumstances, the internal controls and risk management for the inventory are weak.

3. Lack of Approved ICT Policies

Records available indicate that the polytechnic did not have Information Technology (IT) policy, IT strategy or steering committees and as such IT governance system was found to be weak. Further, the Management had not put in place security policy to safeguard its information assets.

In the circumstances, the effectiveness of information technology, internal controls to safeguard against possible information losses, confidentiality, and integrity could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Board of Directors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 June, 2025

THE NYAMIRA NATIONAL POLYTECHNIC

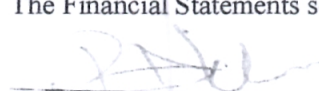
Annual Report and Financial Statements for the year ended 30th June 2024

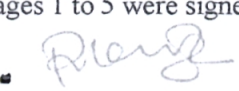
14. Statement of Financial Performance For The Year Ended 30th June 2024


	Notes	2024-2024	2023-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from National Government Entities	6	27,563,809	54,000,000
Public Contributions and Donations		0	0
		27,563,809	54,000,000
Revenue from Exchange transactions			
Fees from students	7	60,526,216	70,450,357
Miscellaneous income	8	9,562,880	6,722,239
Revenue from Exchange transactions		70,089,096	77,172,596
Total Revenue		97,652,905	131,172,596
Expenses			
Use of goods and services	9	49,303,737	42,387,977
Employee costs	11	27,172,816	22,381,592
Board Expenses	12	1,978,000	4,505,000
Depreciation and amortization expense	13	21,146,366	24,549,454
Repairs and maintenance	14	460,940	630,240
General expenses	10	7,014,928	6,146,614
Finance costs	15	65,959	41,908
Total Expenses		107,142,746	100,642,784
Other Gains/(Losses)			
Total Other Gains/(Losses)		0	0
Net surplus/(deficit) for the year		-9,489,841	30,529,812

(The notes set out on pages 8 to 42 form an integral part of the Annual Financial Statements).

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


 Name: Bob Ndubi
 Chairman Board of Governors
 Date: 12/06/2025


 Name: Rebecca Mouti
 Finance Officer
 ICPAK No.28086
 Date: 12/06/2025



 Name: James Kinara
 Principal
 Date: 12/09/2025


THE NYAMIRA NATIONAL POLYTECHNIC
Annual Report and Financial Statements for the year ended 30th June 2024

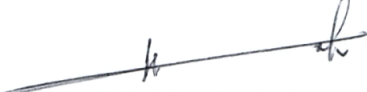
15. Statement of Financial Position As At 30th June 2024

	Notes	2024-2024	2023-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	2,147,980	5,703,954
Current portion of receivables from exchange transactions	18	51,993,616	55,370,307
Receivables from non-exchange transactions	19	55,238,600	33,200,000
Inventories	20	4,706,661	1,934,357
Investments in financial assets		0	0
Total Current Assets		114,086,857	96,208,618
Non-Current Assets			
Property, plant, and equipment	21	490,546,197	510,662,399
Intangible assets	22	3,509,612	4,056,606
Investment property		0	0
Biological Assets	23	270,000	130,000
Total Non-Current Assets		494,325,809	514,849,005
Total Assets (A)		608,412,666	611,057,623
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	24	6,844,884	0
Total Current Liabilities		6,844,884	0
Non-Current Liabilities			
Total non-current liabilities		0.00	0
Total Liabilities (B)		6,844,884	0
Net Assets (A-B)		601,567,782	611,057,623
Represented By:			
Revaluation Reserves		0	0
Accumulated Surplus		52,216,029	61,705,870
Capital Fund		549,351,753	549,351,753
Total Net Assets		601,567,782	611,057,623

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


Name: Bob Ndubi
Chairman Board of Governors
Date: 12/06/2025


Name: Rebecca Mouti
Finance Officer
ICPAK No.28086
Date: 12/06/2025


Name: James Kinara
Principal
Date: 12/06/2025

THE NYAMIRA NATIONAL POLYTECHNIC
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16. Statement of Changes in Net Assets For The Year Ended 30th June 2024

Description	Revaluation reserve	Accumulated Surplus	Capital Grants/Fund	Total
At July 1, 2022 (<i>previous year</i>)	(14,185,455)	52,389,950	523,626,514	561,831,009
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	30,529,812	-	30,529,812
Capital grants received during the year	-	-	1,739,250	1,739,250
Transfer of depreciation/amortization from capital fund to retained earnings	14,185,455	(21,213,892)	23,985,989	16,957,552
At June 30, 2024	-	61,705,870	549,351,753	611,057,623
At July 1, 2024 (<i>current year</i>)	-	61,705,870	549,351,753	611,057,623
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(9,489,841)	-	(9,489,841)
Capital grants received during the year	-	-	-	-
At June 30, 2024	-	52,216,029	549,351,753	601,567,782

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Annual Report and Financial Statements for the year ended 30th June 2024

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from National Government entities	6	27,563,809	20,800,000
Public contributions and donations		0	0
Fees from students	7	37,480,493	38,188,080
Sale of goods		0	0
Rental revenue from facilities and equipment		0	0
Finance income		0	0
Other income	8	9,562,880	6,722,239
Total Receipts		74,607,182	65,710,319
Payments			
Use of goods and services	9	42,458,853	42,387,977
Employee costs	11	26,184,475	22,381,592
Board Expenses	12	1,978,000	4,505,000
Repairs and maintenance	14	460,940	630,240
General expenses	10	7,014,928	6,146,614
Finance cost	15	65,959	41,908
Total Payments		78,163,155	76,093,331
Net Cash Flows from operating activities		(3,555,974.00)	(10,383,012)
Cash flows from investing activities			
Purchase of property, plant, and equipment		0	(3,019,350)
Purchase of intangible assets		0	0
Proceeds from the sale of property, plant, and equipment		0	0
Net cash flows used in investing activities		0	(3,019,350)
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment of Borrowings		0	0
Net cash flows used in financing activities		0	0
Net Increase/(Decrease) in Cash and Cash equivalents		(3,555,974)	(13,402,362)
Cash & Cash equivalents at the beginning (1 st July)		5,703,954	19,106,316
Cash & Cash equivalents at the end. (30 th June)		2,147,980	5,703,954

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

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization percentage
	A	B	C=A+B	D	E=C-D	F=E/C%
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other govt entities and govt grants	54,000,000	0	54,000,000	27,563,809	26,436,191	51%
Rendering of services- fees from students	60,437,800	0	60,437,800	60,526,216	-88,416	100%
Development Grant	30,882,038	0	30,882,038	0	30,882,038	0%
Other income	9,500,000	0	9,500,000	9,562,880	-62,880	101%
Total Income	154,819,838	0	154,819,838	97,652,905	57,166,933	63%
Expenses						
Employee costs	28,068,028	0	28,068,028	27,172,816	895,212	97%
Use of goods and services	65,334,365	0	65,334,365	49,303,737	16,030,628	75%
General expenses	8,950,000	0	8,950,000	7,080,887	1,869,113	79%
Board expenses	4,512,000	0	4,512,000	1,978,000	2,534,000	44%
Development expenses	44,712,208	0	44,712,208	0	44,712,208	0%
Repairs and maintenance	3,243,237	0	3,243,237	460,940	2,782,297	14%
Total Expenditure	154,819,838	0	154,819,838	85,996,380	68,823,458	56%
Surplus For the Period	0	0	0	11,656,525		
Capital Expenditure						

Budget notes

(a) Underutilization in Development Grants – 100%

The Government of Kenya did not release any funds towards the project for the financial year 2023/2024. Management continues to make follow-ups.

(b) Underutilization in Capitation Grants – 49%

The Government of Kenya did not release all the budgeted capitation funds during the year.

(c) Underutilization in Use of Goods and Services – 25%, RMI – 86%, General Expenses – 21%

Capitation Grants for Quarter 4 were not received in the financial year, which delayed procurement of the above goods and services.

(d) Underutilization in Board Expenses – 56%

During the financial year, the term of the Board expired in the month of February 2024 hence, there were fewer Board activities than anticipated

(e) Reconciliation of total actual reported in the statement of comparison of budget and actual amounts and total actual reflected in the statement of financial performance is as follows:

	Amount (Kshs)
REVENUE	
Total actual revenue as per statement of comparison of budget and actual amounts	9,7652,925
<i>Add: Receivables from exchange transactions</i>	
Total actual revenue as per statement of financial performance	97,652,925
EXPENSES	
Total actual expenses as per statement of comparison of budget and actual amounts	85,996,380
<i>Add: Payables from exchange transactions -</i>	<i>0</i>
<i>Add: Depreciation and amortization</i>	<i>21,146,366</i>
Total actual expenses as per statement of financial performance	107,143,382

19. Notes to the Financial Statements

1. General Information

The Nyamira National Polytechnic is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity’s principal activity is Training

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity’s* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note -. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the TVET Act, (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue and effective in the year ended 30th June 2024.

There are no new standards and interpretations issued in the Financial Year.

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.

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Standard	Effective date and impact:
	<i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. NNP use reducing method in calculating depreciation as follows: Building : 2.50% Furniture and equipment :12.50%, Plant property and equipment: 12.50% and motor vehicle: 25%, and Computers: 33.30% <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-

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Standard	Effective date and impact:
	<p>exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

(NNP) did not early-adopt any new or amended standards in year 2023/2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2023/ 2024 was approved by the Board on -. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of - on the FY 2023/ 2024 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page - under section - of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule - of the - Act.

Sales tax/ Value Added Tax

Expenses and assets are recognized net of the amount of sales tax, except:

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an --year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the

lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments.

Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

(ECL) are set out in *Note -*.

Financial liabilities

Classification

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

j) Inventories

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

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Inventories (Continued)

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

The *Entity* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *Entity* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Social Benefits

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

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they

become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

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

s) Service concession arrangements

The *Entity* 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.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

u) Comparative figures

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

v) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *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*.

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 -.

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

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6. Transfers from National Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfer from State department of TVET	27,563,809	54,000,000
Other transfers(specify)	-	-
Total Transfers	27,563,809	54,000,000

7. Fees from students

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition fees	21,841,627	20,988,950
Repairs Maintenance and Improvement	12,367,063	3,296,120
Personal Emoluments	2,540,482	14,317,389
Local Transport and Transport	7,183,070	9,526,358
Electrical Water and Conservancy	3,663,564	3,360,292
Activity	2,574,110	4,296,190
Medical	2,806,600	982,350
Industrial Attachment	772,400	3,721,010
Administration Fees	2,937,300	3,778,698
Development Fund	3,840,000	6,183,000
Total Fees from students	60,526,216	70,450,357

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8. Other Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Student Board	468,600	558,334
Admission Fees	741,280	786,230
Sale of Tender Documents	2,000	3,000
Exam Registration	6,000,000	4,351,350
KNEC Referrals	208,040	0
Sale of Water	0	84,515
Sale of containers	0	100
Sale of Milk	19,220	1,960
Computer Packages	105,200	85,000
Graduation Fees	0	431,230
Sale of Fish	5,400	16,860
Smart Cards	26,100	22,000
Sale of onions	2,490	0
GIZ Fund	0	203,700
Fines and Penalty	0	4,000
Lost Items	550	4,250
Ground hire	0	5,000
Sale of Tomatoes	0	6,210
Sale of Cows	0	158,500
KUCCPS	827,000	0
TVETA	221,000	0
Bus Hire	184,000	0
Workshop Training Fees	752,000	0
Total other income	9,562,880	6,722,239

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9. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Electricity	1,379,973	491,297
Local Transport and Traveling	12,886,500	8,468,060
Games	2,716,301	2,021,460
Medical Services	57,028	108,406
Industrial Attachment	1,183,260	1,261,462
Marketing	2,176,631	2,145,462
Catering	1,963,910	2,499,808
Administration Costs	9,788,257	9,601,253
Farm	453,774	192,160
House Keeping	94,460	328,762
Text Books	596,720	35,800
Research and Development	504,990	639,480
Withholding Tax	16,700	85,953
Hairdressing and Beauty Therapy	215,770	531,328
Computer Studies	931,500	1,747,100
Building and civil Engineering	1,466,567	1,416,693
Institutional Management	498,590	651,334
Roborts and automation	3,610,865	1,293,200
Electrical and Electronic Engineering	731,845	767,489
Business Studies	0	4,200
KATTI	385,300	731,500
KONZA Project	0	3,416,350
Mechanical Engineering	799,912	990,950
Graduation Expenses	0	2,958,470
Pending bill	6,844,884	0
Total good and services	49,303,737	42,387,977

10. General expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Exams Registration	5,436,690	5,384,900
Smart Card Exp	119,700	0
Fees Refund	0	52,800
Student Board	422,155	333,200
Computer Packages	4,600	30,000
Bus Expense	174,101	345,214
Admission Fees Expenses	87,682	500
Workshop Expenses	770,000	0
Total	7,014,928	6,146,614

11. Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and Wages	21,665,062	18,337,855
NSSF	2,168,100	2,296,836
NHIF	702,600	700,200
PAYE	758,615	782,700
Welfare Contribution	124,000	156,000
HELB Recoveries	80,000	108,000
SACCO	437,198	0
Housing Levy	231,300	0
NITA	17,941	0
Pending bill	988,000	0
Employee Costs	27,172,816	22,381,591

12. Board Expenses

Description	2023-2024	2022-2023
	Kshs	Kshs
Allowances to BOG	1,668,000	4,133,000
Chairman Honoraria	260,000	312,000
Chairman Airtime	50,000	60,000
Other Board Expenses	-	-
Total board expenses	1,978,000	4,505,000

13. Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, plant and equipment	20,647,502	24,050,590
Intangible assets	498,864	498,864
Investment property carried at cost	0	0
Total depreciation & amortization Expense	21,146,366	24,549,454

14. Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
Property	-	-
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	460,940	630,240
Computers and accessories	-	-
Total Repairs and Maintenance	460,940	630,240

15. Finance Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Borrowings (Amortized Cost)*	-	-
Finance Leases (Amortized Cost)	-	-
Unwinding of Discount from lease liabilities	-	-
Bank charges	65,959	41,908
Interest on Loans from Commercial Banks	-	-
Total Finance Costs	65,959	41,908

(*Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)

16. Impairment Loss

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

17. Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Student fund A/c	2,147,980	5,703,954
Recurrent A/c	-	-
Fixed Deposits Account	-	-
Others (Specify)	-	-
Total Cash and Cash Equivalents	2,147,980	5,703,954

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

17 (a). Detailed Analysis of Cash and Cash Equivalents

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Current account			
Student fund A/c		2,076,661	528,400.00
Recurrent A/c		71,319	5,175,554
Kenya Commercial bank-re current		-	
Sub- Total		2,147,980	5,703,954
a) Fixed Deposits Account			
- Bank		-	-
- Bank		-	-
Sub- Total		-	-
b) Others (Specify)			
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money account		-	-
Sub- Total		-	-
Grand Total		2,147,980	5,703,954

1. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Student Debtors	51,993,616	55,370,307
Rent Debtors	0	0
Advance payments	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	51,993,616	55,370,307

18 (b) Long- term Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Advance Payments	-	-
Public Organizations	-	-
Less: Impairment Allowance	(-)	(-)
Total	-	-
Current Portion Transferred To Current Receivables	(-)	(-)
Total Non-Current Receivables	-	-
Total Receivables	-	-

18 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the to	2022-2023	% of the tota
Less than 1 year	22,591,801	43%	27,113,746	49%
Between 1- 2 years	2,125,254	4%	9,631,666	17%
Between 2-3 years	8,651,666	17%	8,345,072	15%
Over 3 years	18,624,895	36%	10,279,823	19%
Total (a+b)	51,993,616	100%	55,370,307	100%

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18 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	(-)	(-)
Write offs during the year	(-)	(-)
At the end of the year	-	-

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

19. Receivables from Non-Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Capitation Grants*	55,238,600	33,200,000
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	55,238,600	33,200,000

*(*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).*

19 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the total	Comparative FY	% of the total
Less than 1 year	22,038,600	40%	33,200,000	100%
Between 1- 2 years	33,200,000	60%	0	0%
Between 2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total	55,238,600	100%	33,200,000	100%

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19 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	(-)	(-)
Written off during the year	(-)	(-)
At the end of the year	-	-

20. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Office Stationery	449,291	356,324
Institution Management Department	432,110	202,713
Building and Civil Engineering	453,968	30,250
Electrical and Electronics	729,665	482,176
Hair Dressing and Beauty Therapy	334,760	393,350
Catering Stores	371,199	356,324
Farm	36,777	53,934
Cleaning Material	49,294	59,286
Sports stores	1,075,256	0
Medical store	23,861	0
ICT stores	750,480	0
Total Inventories at lower of Cost and Net Realizable Value	4,706,661	1,934,357

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21. PROPERTY PLANT AND EQUIPMENT

	Land	Buldings	Furniture and fittings and office equipment	Computers	Plant, machinery and equipment	Motor vihecle	Capital work in progress	Total
Depreciation Rate	-	2.50%	12.50%	33.30%	12.50%	25%		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost								
At 1 July 2022	91,400,000	343,382,994	4,653,279	5,442,039	66,365,490	0	26,304,356	537,678,158
Additions	-	280,100	1,000,000	1,739,250	0	0	0	3,019,350
Disposals	-	-	-	0	-	-	-	-
Transfers/adjustments				15,799,800		8,450,000		24,249,800
At 30 June 2023	91,400,000	343,663,094	5,653,279	22,981,089	66,365,490	8,450,000	26,304,356	564,947,308
Additions								
Disposals								
Transfer/adjustments								
At 30 June 2024	91,400,000	343,663,094	5,653,279	22,981,089	66,365,490	8,450,000	26,304,356	564,947,308
Depreciation and Impairment								
At 30 July 2022	-	15,634,574	1,966,685	8,523,817	25,917,333	2,112,500	-	54,154,909
Depreciation								
Impairment								
At 30 June 2023	-	-	-	-	-	-	-	-
Depreciation	-	8,200,713	460,824	4,814,271	5,056,019	1,584,375	-	20,116,202
Disposals								
Impairment								
Transfer/Adjustment								
At 30 June 2024	-	23,835,287	2,427,509	13,338,088	30,973,352	3,696,875	-	74,271,111
Net Book Values								
At 30 June 2023	91,400,000	328,028,520	3,686,594	14,457,272	40,448,157	6,337,500	26,304,356	510,662,399
At 30 June 2024	91,400,000	319,827,807	3,225,770	9,643,001	35,392,138	4,753,125	26,304,356	490,546,197

WIP- This is the library project which is under construction and its funded fully by the State department of TVET

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by - professional valuers on -. These amounts were adopted in the financial statements on 30th June 2022

21 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	91,400,000	0	91,400,000
Buildings	343,663,094	23,835,287	319,827,807
Plant And Machinery	66,365,490	30,973,352	35,392,138
Motor Vehicles including Motorcycles	8,450,000	3,696,875	4,753,125
Computers and Related Equipment	23,702,809	13,338,088	9,643,001
Office Equipment, Furniture, And Fittings	5,653,279	2,427,509	3,225,770
Work in progress	26,304,356	0	26,304,356
Total	565,539,028	74,271,111	490,546,197

22. Intangible Assets

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost		
At beginning of the year	4,988,640	4,988,640
Additions	-	-
At end of the year	4,988,640	4,988,640
Additions–internal development	-	-
At end of the year	4,988,640	4,988,640
Amortization and impairment		
At beginning of the year		
Amortization	980,164	481,300
At end of the year	498,864	498,864
Impairment loss	0	0
At end of the year	1,479,028	980,164
NBV	3,509,612	4,056,606

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23. Biological Assets

	2023-2024	2022-2023
	Kshs	Kshs
Cattle	270,000	130,000
Trees	-	-
Others (Specify)	-	-
Total	270,000	130,000

24. Trade and Other Payables from Exchange Transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade payables	6,844,884		-	
Salary deductions	-		-	
Third-Party Payments	-		-	
Other Payables	-		-	
Total Trade and Other Payables	6,844,884		-	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	6,844,884	100%	-	-
1-2 years	-	%	-	-
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total (to tie to totals above)	6,844,884	100%	-	-

25. Cash generated from operations.

	2023-2024	2022-2023

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	Kshs	Kshs
Surplus/(Deficit) for the year	-	-
Adjusted for:		
Depreciation	-	-
Non-Cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment	-	-
Gains and Losses on Disposal of Assets	(-)	(-)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	(-)	(-)
Finance Cost	-	-
Working Capital Adjustments		
Increase in Inventory	(-)	(-)
Increase in Receivables	(-)	(-)
Increase in Deferred Income	-	-
Increase in Payables	-	-
Increase in Payments received in advance	-	-
Net Cash Flow from Operating Activities	-	-

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

26. Events After The Reporting Period: Mr. Geoffrey Andama Transferred to The Kenya Coast National Polytechnic and We received Mr. James Basweti Kinara From Maasai TVC as the current Principal

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

28. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
01	<p>1. Lack of ICT Policy</p> <p>Review of IT environment and its controls revealed that, the Institute did not have Information and Communication Technology (ICT) policy in place to govern IT environment. This means that the Institute did not have:</p> <ul style="list-style-type: none"> i. IT Security policy to ensure data confidentiality, integrity and availability and to ensure there is patch management process on all systems software's. ii. IT Program change management - formally documented and approved processes to manage upgrades made to all information systems. iii. Physical access controls to sensitive areas like server rooms, storage rooms and network rooms are properly controlled. iv. Environmental control - policies and procedures to cover environmental controls like fire suppression system, ups and air conditioning systems especially in server rooms. 	<p>ICT policy was developed awaiting approval by the Board of Governors</p>	Resolved	Done

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	<p>v. Logical access control - user management standards and procedures in the organization like user access rights in line with responsibilities.</p> <p>Lack of ICT policy may lead to breaches of information confidentiality, data integrity and loss of business continuity.</p>			
02	<p>2. Delay in Construction of a Library Block</p> <p>The statement of financial position reflects property, plant and equipment balance of Kshs. 507,743,085 which, as disclosed in Note 20 to the financial statements, includes capital work in progress amount of Kshs. 26,304,356 relating to the construction of a library block. As previously reported, a local company was awarded a tender for construction of the library block at a contract sum of Kshs. 48,919,380 for a duration of (36) weeks which was expected to end on 14 April, 2016. Physical inspection of the project in March, 2023 revealed that the project was incomplete and works had stalled as the contractor had abandoned the site, despite the contract completion date having been revised several times to permit completion of the project.</p> <p>In the circumstances, the public may not obtain value for money from the Kshs. 26,304,356 already spent on the project.</p>	<p>The Government of Kenya under the Ministry of Education has delayed in disbursement of Development grants for some time now.</p> <p>Follow ups has been made and evidence was provided during auditing exercise. -Management is pursuing alternatives / additional sources of funds to progress with the project</p>	Not Resolved	30/06/2025
03	<p>3. Long Outstanding Receivables from</p>	<p>1. Receivables from Exchange</p>	Not Resolved	30/06/2025

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	Exchange Transactions	Transactions		
	<p>The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs. 28,873,918 which, as disclosed in Note 18 to the financial statements relates to student debtors. However, this balance includes debts amounting to Kshs. 9,200,778 which had been outstanding for more than one (1) year and for which, no evidence was provided to show Management's effort to recover the debts. Further, no provision was made for any likely loss of revenue from non-collectable debts.</p> <p>In the circumstances, the recoverability of the long outstanding receivables from exchange transactions balance of Kshs. 9,200,778 is doubtful and the accuracy of the receivables from exchange transactions balance of Kshs. 28,873,9180 as at 30 June, 2022 could not be confirmed.</p>	<p>The college developed the Debt Management Policy which is now in place</p> <p>This Policy will guide in controlling and managing receivables from exchange transaction.</p>		
04	<p>4. Anomalies in Property, Plant and Equipment</p> <p>The statement of financial position reflects property, plant and equipment balance of Kshs. 507,743,085 as disclosed in Note 20 to the financial statements. Included in the balance is Kshs. 91,400,000 in respect of land whose title deed was registered in the name of a different technical training institute, whose existence could not be confirmed. Management has however indicated that the process of transferring ownership to the Institute is ongoing.</p>	<p>(a)The title deed</p> <p>The process of changing the name from St Stephen Egietai Technical Training Institute to Ekerubo Gietai Technical Training Institute is underway and the documents were presented during the auditing exercise.</p> <p>(b)Biological Assets</p> <p>The biological assets were valued and included in the Property Plant and Equipment in the subsequent financial statements.</p>	<p>Not Resolved</p> <p>Resolved</p>	<p>30/06/2025</p> <p>Done</p>

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	<p>Further, the balance excludes undetermined value of the Institute's biological assets which include sixteen (16) adult cattle, two (2) heifers, fish held in two (2) fish ponds with the capacity of 1000 fish and poultry.</p>			
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Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

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James Basweti Kinara
Principal
(Nyamira National Polytechnic)
Date 12/16/2025

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Appendix II: Projects Implemented by *(The Nyamira National Polytechnic)*

Projects

Projects implemented by the Nyamira National Polytechnic Funded by the State Department of TVET

Status of Project Completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost-	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Library	59,891,337	26,304,361	65%	30,882,038	00	MOEVTT
2							
3							

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity:.....

Name of beneficiary entity:.....

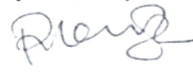
Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Capitation & & Scholarship (A)	Development (B)	Total (C)=(A+B)	Remarks
DTE/CAP 9/36(23)	02/10/2023	6,674,500	00	6,674,500	Q1 Capitation
DTE/CAP 9/39(10)	18/01/2024	7,437,500	00	7,437,500	Q2 Capitation
DTE/CAP 9/40(10)	05/02/2024	8,500,000	00	8,500,000	Q3 Capitation
MOE/DTE/SCHO/VOL II(22)	27/02/2024	4,602,426	00	4,602,426	Scholarship
MOE/DTE/CSHO/VOL.II	06/03/2024	349,383	00	349,383	Scholarship
Total		27,563,809	00	27,563,809	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity: The Nyamira National Polytechnic

Name Rebecca Kerubo Mouti Sign  Date 12/06/2025



Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

There were no expenditure on climate related

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Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

There were no expenditure on disaster management during the year