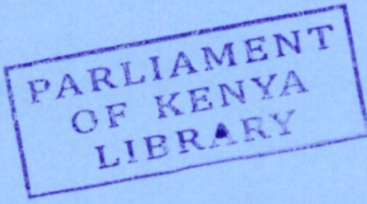


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT


OF

THE AUDITOR-GENERAL

ON

THE SHAMBERERE NATIONAL POLYTECHNIC

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 02 APR 2026	DAY: THURSDAY
TABLED BY:	Deputy Majority Whip Hon Naomi Waga MD
CLERK-AT THE-TABLE:	Halima Ahmed



THE SHAMBERERE NATIONAL POLYTECHNIC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2025

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

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**The Shamberere National Polytechnic
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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TSNP	The Shamberere National Polytechnic

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The Shamberere National Polytechnic was established under the TVET Act 2013 and is domiciled in Kenya. The polytechnic is under the Ministry of Education. The Shamberere National polytechnic (TSNP) was started in 1982 by the Shamberere community as a rural education programme catering for basic craft courses for the local youth. In 1985, it was elevated to a village Youth Polytechnic under the Ministry of Youth Affairs, offering basic craft courses to Std 8 graduates. In 1996 it was awarded a Trade Test Centre to cater. In April 2009, the village polytechnic was upgraded to Shamberere Technical Training Institute offering diploma, certificate and artisan courses in Engineering, Agriculture, ICT, Institutional Management and Business and lately in the year 2024, Shamberere Technical Training Institute was elevated to The Shamberere National Polytechnic status. Currently, the Polytechnic offers 18 diploma, 17 certificate and 12 artisan courses across 5 academic departments: ICT, Engineering, Business, Agriculture and Institutional Management. The Polytechnic has 136 trainers, PSC 77, Council employed 20, 39 Interns and 33 Non-teaching staff. Trainees population has steadily grown from 342 in 2015 to 6387 to date. This growth has come with challenges that the Council has consistently addressed.

(b) Principal Activities

The principle activity of The Shamberere National Polytechnic is to provide training to artisans, craftswomen and men, technicians, businesswomen and men at artisan, craft and diploma certificate levels.

The mandate of Shamberere NP is as under;

- Implement the prescribed curriculum for technical training at artisan, technician and technologist level.
- Promote, coordinate and popularize research at the institute
- Spearhead the application of research results in technological programmes at the institute
- Monitor and evaluate technical education programmes at the institute
- Promote standards and quality assurance at the ministry
- Implement the MOE policy on TVET

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

MISSION:

The mission of the Polytechnic is to provide quality human resource through Technical, Vocational, Education and Training (TVET).

VISION:

The vision of Shamberere National polytechnic is to be a centre of excellence in Engineering Technology, Innovation and Action Research in Africa.

MOTTO

Technical and Professional Excellence

CORE VALUES:

- To undertake its mission and realize its vision, Shamberere NP upholds the following values:-
- Excellence - The Polytechnic shall ensure quality teaching, research and provision of excellence in teaching, research and provision of service to the public.
- Equity- The Polytechnic shall ensure fair treatment of staff, students and all other stakeholders without bias.
- Integrity – The Polytechnic staff shall have common decorum reflected in their personal appearances, interactions and conducts.
- Team work - The Polytechnic is committed to teamwork environment where every person is a valued member treated with respect, encouraged to contribute and recognized and rewarded for his or her efforts.
- Innovation – The Polytechnic shall provide opportunities for the creation of new ideas and products for teaching, learning and well-being of the society

OBJECTIVES:

- i) To provide increased training opportunities for school leavers that will enable them to be self-supporting.
- ii) To develop practical skills and attitudes that will lead to income earning activities in the rural and urban areas
- iii) To provide technical knowledge, vocational skills and attitudes necessary for manpower development

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

- iv) To produce skilled artisans, craftsmen, technicians and technologists for both formal and informal sectors of the economy.

The Shamberere National Polytechnic is committed to providing quality human resource that meet its customer's expectations through technology, innovation and action research in Africa.

(c) Key Management

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

- The Council
- Accounting officer/ Principal
- Management

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
<u>1.</u>	<u>Principal</u>	Mr. Elisha Nyamu
<u>2.</u>	<u>Deputy principal Administration</u>	Mrs. Dorice Burudi
<u>3</u>	<u>Deputy principal Academics</u>	Mr. Ezra Orina
<u>4</u>	<u>Registrar Academics</u>	Mr. James Misoloh
<u>5</u>	<u>Registrar Administration</u>	Mr. Mark Ombonya Matalanga
<u>5</u>	<u>Dean of students</u>	Mr. James Asuka
<u>6</u>	Head of Finance	CPA Josiah Egadwa

(e) Fiduciary Oversight Arrangements

- Finance and human resource committee
- Education, Research, Training and Innovation committee
- Risk and Audit Committee
- Office of the Auditor General
- Kenya Revenue Authority
- The National Treasury
- Ministry of Education State department TVET

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

(f) Entity Headquarters

The Shamberere National Polytechnic
P.O. Box 1316-50100
Kakamega, KENYA

(g) Entity Contacts

Off Kakamega Webuye Road
Telephone: (254) 739922223
E-mail:shambereretti@yahoo.com
Website: www.shambereretechnical.ac.ke

(h) Entity Bankers

1. Kenya Commercial Bank
Kakamega Branch
P.O. Box 152-50100
Kakamega, Kenya
2. Co-operative Bank of Kenya
Kakamega Branch
P.O Box 595-50100
Kakamega, Kenya
3. National Bank of Kenya
Kakamega Branch
P.O BOX 1773-50100
Kakamega Kenya
4. Diamond Trust Bank
Kakamega Branch
P.O BOX 27556-00506
Nairobi, Kenya
5. Equity Bank
Kakamega Branch
P.O BOX 75104-00200
Nairobi, Kenya

(i) Independent Auditors

Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way

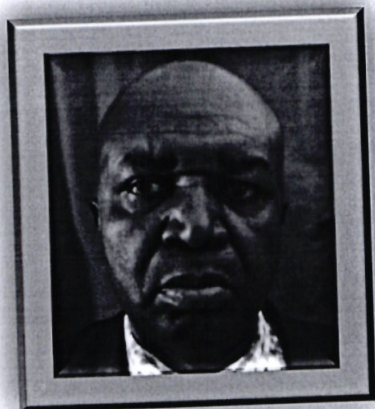
The Shamberere National Polytechnic
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P.O. Box 30084
GPO 00100
Nairobi, Kenya

(j) Principal Legal Adviser

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

3.The Council



Name: Eng. Musa Osieko Kulubi

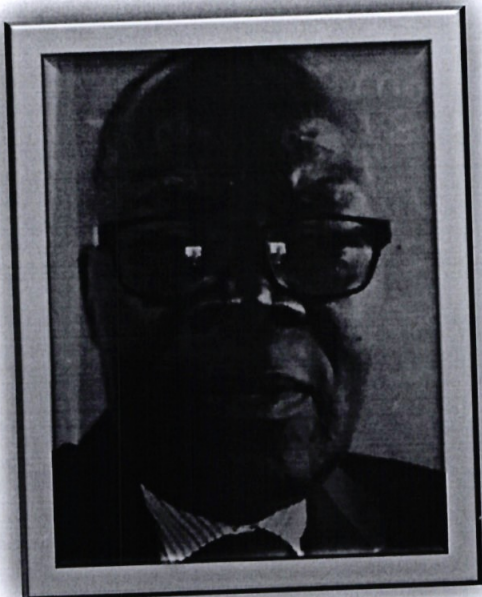
D.O.B :20/10/1965

Key Qualifications: Bachelor of Technology
(Production Engineering) – Moi University

Work Experience: Eng. Musa Osieko Kulubi works
as Transport Manager/Senior Mechanical Engineer

Worked at National Water Conservation and Pipeline
Corporation the year 2003 – to date

Eng. Musa Osieko Kulubi is the Chairman of the The
council.



Name: Boaz Harrison Kavinguha

D.O.B: 20/03/1952

KEY QUALIFICATIONS

2019-2022: North Western Christian University
Doctor of Philosophy (PHD) in leadership
Administration and Management.

2016-2018: North Western Christian University
Master's Degree in conflict and

Resolution


2013- 2015: North Western Christian University
Bachelor's Degree in Counselling


Psychology

1977: EAACE (A-Level)
Attained IP and 2S

WORK EXPERIENCE

Year	Institution	Position
2022 to date:	B.O.M Chair Tande Secondary School	
2016-2022:	B.O.M Chair Mang'uliro Secondary School	
2012-2015	B.O.M member Tumbeni Secondary School	
2009 – 2015	B.O.G Member Kimang'eti Mixed secondary school	
2000-2007	Head teacher lugusi Primary School	

	<p>Name: Jane Pauline Mito</p> <p>D.O.B: 19/07 /1991.</p> <p>Key Qualifications: Degree (Bachelor of Engineering in Civil and Structural Engineering)</p> <p>WORK EXPERIENCE: 2023 to date: self-employed. Running a landscaping business. 2022: Project manager/property manager- Mumbu Holdings Ltd 2019 - 2020 Assistant engineer - KeNHA Corridor C Previously Deputy engineer - KeNHA North Rift Region</p>
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	<p>Name: Mildred Akinyi Wandema An Advocate of the High Court of Kenya, Commissioner of oaths and Notary Public Officer and Certified Professional Mediator and a member of Law Society of Kenya.</p> <p>D.O.B : 26/06/1979</p> <p>ACADEMIC QUALIFICATIONS: Post Graduate Diploma - Law Development Centre Kampala Bachelor of Laws- Makerere University Certified Professional Mediator- Mediation Training Polytechnic International</p> <p>WORK EXPERIENCE: 2022 to date: County Solicitor 2019-2021: Senior Legal Officer 2015-2019: Associate Advocate at M Kiveu 2014: 2015: Associate Advocate at Osundwa and Company Advocate</p>
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**The Shamberere National Polytechnic
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Name: Raphael Shiundu

D.O.B: 11/03 1972

KEY QUALIFICATIONS:

1995 – 2000

On-going Moi University

Msc. Agricultural
Economics and Resource
Management

Egerton University

Bachelor of Agribusiness
Management

WORK EXPERIENCE:

Jan 2018 – To date: **KALRO - Sugar Research Institute**

Research Scientist 1
Economics

2014 – To date:

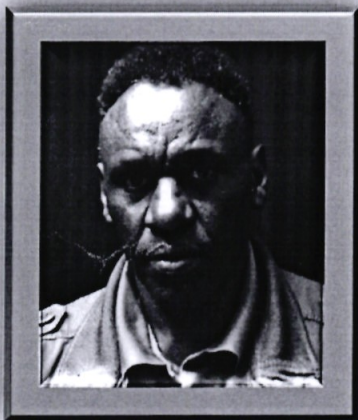
**Member of Monitoring
and Evaluation SRI Unit**
Coordinating all
monitoring and evaluation
activities within the
Institute

2006 – To date:

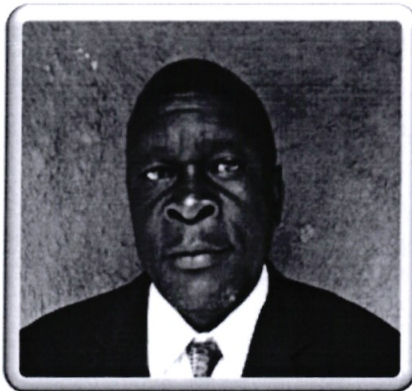
Facilitator
Kenya Society of
Sugarcane Technologists
(KSSCT)

2004 – Dec 2017:
Foundation

Kenya Sugar Research
Assistant Research Scientist
Economics.



Name : John Misoi
 D.O.B : 04. 08. 1954
 Key Qualifications: Bachelor of commerce
 University of Nairobi.
 CPA Part 11.
 Work Experience: 1981- 1986: GOK – Office of
 the President, Ministry of Environment and
 Natural Resources and The treasury.
 Position: Accountant 1 & 11.
 1986-2010: Kenya Tea Packers Limited
 Positions: Accountant I, Management
 Accountant, Assistant Chief Accountant, Senior
 Financial Accountant, Ag. Head of Finance.



Name: Elisha Nyamu
D.O.B: 22/01/1969
Key Qualification: BED Information Science
 and Technology, Higher National Diploma
 Human Resource Management, Diploma
 Information Studies
Work Experience: Worked as head teacher
 Friends Secondary School Lwanda Bungoma
 from 1989 to 1994. Teacher Bukulunya
 Secondary School from 1996 to 1998. Teacher
 Museno Primary School from 1998 to
 2005.HOD Games and sports Siaya
 Polytechnicof Technology from 2005 to 2019.
 P.C Coordinator Siaya Polytechnicof
 Technology from 2008 to 2019. D/Principal
 (Academics) The Shamberere NP from June
 2019 to January 2022. Principal Bungoma
 North TVC from January 2022 to June 2023.
 June 2023 to date-Principal Shamberere NP

4. Key Management Team



Name: Elisha Nyamu

D.O.B: 22/01/1969

Key Qualification: BED Information Science and Technology, Higher National Diploma Human Resource Management, Diploma Information Studies

Work Experience: Worked as head teacher Friends Secondary School Lwanda Bungoma from 1989 to 1994. Teacher Bukulunya Secondary School from 1996 to 1998. Teacher Museno Primary School from 1998 to 2005. HOD Games and sports Siaya Polytechnic of Technology from 2005 to 2019. P.C Coordinator Siaya Polytechnic of Technology from 2008 to 2019. D/Principal (Academics) The Shamberere NP from June 2019 to January 2022. Principal Bunguma North TVC from January 2022 to June 2023. June 2023 to date-Principal Shamberere NP.



NAME: DORIS NANJALA WAMALWA
D.O.B: 23rd June 1971

ACADEMIC QUALIFICATIONS;
Master of Art (Project Planning and Management) – University of Nairobi
Bachelor of Education (Home Economics Double) – Kenyatta University
Certificate in Kenya Sign Language (KSL) – Kenya Polytechnic of Special Education

WORK EXPERIENCE

Worked as a high school teacher in various secondary schools as shown;
Chemamul Secondary School in Kericho County where I taught Home science and Life skills from September 1995 to May 1999.
St Anthony Kakoyi Secondary in Kakamega County where I taught Biology from May 1999 to January 2000.
Malava Girls High School in Kakamega County where I taught Home science from February 2000 to January 2001.
St Theresa Eregi Girls High school in Kakamega County where I taught Home Science and Biology. I also served as Acting HOD Guiding and Counselling from February 2001 to March 2008.
Machakos Teachers training college where I taught home science. I was deployed by the TSC to serve as HOD in the Integrated Science department July 2008 to March 2017.
Shamberere National Polytechnic where I taught food and beverage then served as Acting HOD Institutional Management, I then served as Acting Guiding and counselling coordinator and then deployed by PSC as Deputy Principal Administration from September 2023 to date.

**The Shamberere National Polytechnic
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Name: Asuka Francis James

D.O.B: 03/01/1979

Key Qualification: Bachelor of Science in Animal Production – Egerton University, Post Graduate Diploma in Education (PGDE) – Mount Kenya University.

Work Experience: Worked as a principal at Shunem Girls High School Lanet Nakuru from 2006 to 2012, Registrar at Nakuru College of Health Sciences and Management from 2013 to April 2015. Worked as a principal at Shunem Girls High School Lanet Nakuru from May 2015 to August 2019. Technical and Vocational Trainer at The Shamberere National Polytechnic from September 2019 to date. Currently, the acting Dean of Students The Shamberere National Polytechnic.



NAME : EZRA ORINA

DOB : 18th August 1980

Academic Qualifications: Bachelor of education- University of Eldoret

Diploma in technical education-Kenya Technical teachers College

Diploma in Mechanical Engineering(mechanical)- Railways

Training Institute

Other Qualifications : Senior Management Course (SMC)-Kenya School of Government

Work experience: Worked as a maintenance Technician at Twiga Stationers and Printers-Nairobi, Technical instructor at National Youth Service Technical college-Mombasa, Examinations officer-The Shamberere National Polytechnic

Internal Quality Assurance Officer- Shamberere technical training institute, Registrar- The Shamberere National Polytechnic

The Deputy Principal Academics- The Shamberere National Polytechnic.



Name: CPA Josiah A. Egadwa

D.O.B : 01/ 01/1973 **Qualification:** Master of Business Administration (Finance Option)- University of Nairobi, Bachelor of Commerce (Accounting Option)-The Catholic University of Eastern Africa, CPA (K)-Certified Public Accountant of Kenya.

Work Experience: Worked as an Accounts Clerk Chavavo Secondary School 2002 to 2009, Bursar Esalwa Sec school 2009 to 2015. Finance And Administrative officer at Eregi Teachers Training college from 2015- 2021, Finance officer- The Shamberere National Polytechnic 2021 to date.

**The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025**

5. Chairman's Statement

On behalf of the The council of The Shamberere National Polytechnic, I wish to present the Annual Report for the **FY 2024/2025**.

First and fore most I wish to sadly report that during the just concluded financial year, we lost two Council members who passed away namely Mr. Mwalati Masayi Justinian and Mr. Theddeus Orare Oanya who was The Ministry representative. May the Almighty Lord rest their souls in eternal peace. The council has with support of the Ministry of Education put in place the necessary infrastructure as outlined in our strategic plan 2024 -2029 which was recently approved by The Council, to meet the expectations of the Ministry of Education and in line with achieving vision 2030 of training individuals with the necessary skills to meet the demands of the labour market through forging partnerships with the private and public sectors. Due to the dwindling support of the government in terms of disbursing capitation to our Polytechnic and low payment of fees by our trainees, the planned implementation of our budgets and strategic plans have suffered a major setback, this therefore calls for concerted efforts to source for funds else where by improving our income generating activities popularly known as production units (P.U.s) and other sources.

Through the just expired strategic plan 2019-2024 the Councils is glad to report that the following projects were successfully completed ; Construction of phase 1 of the Tuition block, construction of eight classrooms, construction of prefab class rooms, Construction of a store, construction of an ablution block, Installation of solar lighting in the administration block, and study room, Expansion of WI-FI Coverage, acquisition and expansion of the Polytechnic land, establishment of a driving school, equipment of the secretarial room, equipment of the relevant staff as per the requirements of Ministry of Education guidelines and the development of sports grounds and above all the purchase of 1.6 HA piece of land.

Challenges

The growth in enrolment has spurred the need for us to be more innovative thus creation and introduction of relevant and current courses at all levels. However, this growth comes with challenges which require redress. With the current technological development and the need for online teaching, and blended learning, the Polytechnic requires an upgrade on the current information Technology laboratory to an advanced and modern Technological centre and library. With the increase in enrolment, we need to complete phase two and three of the Tuition block to

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

provide additional space for learning our automotive workshop was completed in 2019, but lacks equipment, our dreams will not be realized with out the support of the Ministry.

In adequate training staff poses a challenge on our academic performance. The Polytechnic has only 66 PSC Tutors against a trainee population of 6387, this has forced the council to hire 23 more trainers on council terms yet we still have a deficit of 41 trainers. Our personal emoluments budget is therefore so much constrained.

The Polytechnic has in the recent past acquired more land from her neighbours for expansion. However, there are still patches of land not acquired due to over pricing by the land owners. The land owners access their homes through our main gate which poses insecurity to the trainees and the Polytechnic property. It is not also possible to erect a perimeter wall along the fence. I would like to appreciate the Council members, the Management, staff, students and stakeholders for their commitment throughout the financial year. Thank you for your continued support.

Sign.....

Eng. Musa Osieko Kulubi

Chairman, Council

The Shamberere National Polytechnic.

6. Report of the Chief Principal

Dear Stakeholders,

The Shamberere National Polytechnic stands out as a great implementer of TVET strategies, policies and initiatives. We are proud of our elevation to a National Polytechnic status. This status provided us with new roles and responsibilities. We are proud to celebrate the attainment of a QAI status which we are receiving today from KNQA. We developed 156 curricula in partnership with other National Polytechnics at the Nyeri National Polytechnic. We intend to set our first assessment for our trainees in November this year.

In our efforts and determination to ensure quality and standard training. Today we are rolling out an AI assessment tool (Smart Doc 360 Assessment System) which will be useful in generating assessment tools, marking guides, checklists and cutting lists for all our assessments.

The Shamberere National Polytechnic supports Government efforts to ensure implementation of Competence Based Education and Training (CBET). We have aligned all courses in all departments to CBET. We have rolled out the modular training from May 2025 in all departments.

Through partnership with GIZ we have collaborated with various industry to dualize the Food and Beverage, Mechanical Engineering and Building and Civil Engineering departments. Dualization ensures that our graduates are not just qualified but work ready and adaptable to the evolving labour market. Our achievement of vision 2030 and our quest for industrialization is greatly embedded in these programme.

In support of government initiative to recognize skills and certify individuals who acquired skills informally, we have rolled out RPL programmes. The polytechnic facilitated training of 100 RPL practitioners who will play a key role in the implementation of this programme. The first cohort of 28 trainees did their assessment at the Nyeri National polytechnic and the second cohort of 11 trainees did their assessment at the Kitale National Polytechnic. Our third cohort of 51 will be doing their assessment at the Shamberere National Polytechnic. Our polytechnic is a Center of Excellence in Mechanical Engineering proving itself in having a state of the art CNC lathe machines. This machines are used in collaborative training and are an IGA for the polytechnic.

The Shamberere National Polytechnic
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We wish to appreciate the state department for supporting us on staffing needs, funding through capitation, scholarships and HELB loans to our trainees. We also appreciate the intensive marketing by the officer seconded by the state department who partnered with NGAO to give us 1708 trainees. Some have already been admitted and the rest will be joining in September, Today our population stands at 6,387 Trainees.



Dr. Elisha Nyamu

Principal/Secretary council

**The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025**

7. Statement of Performance against Predetermined Objectives

The Shamberere National Polytechnic has three strategic pillars as follows:

Pillar 1: Institutional Capacity Building

Pillar 2: Maximizing the Impact of Partnerships and Stakeholders

Pillar 3: Enhancing the Student Experience

The Shamberere National Polytechnic develops its annual Work Plans based on the above three pillars. Assessment of the Council's performance against its annual work plan is done on quarterly basis.

The Shamberere National Polytechnic achieved its performance targets set for the FY 2024/2025 for its three strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities
Pillar 1: Institutional Capacity Building	<ul style="list-style-type: none"> ✓ Recruitment of staff and development of existing human resource base ✓ Expansion of teaching and learning infrastructure ✓ Acquisition of adequate teaching and learning tools, materials and equipment ✓ Provision of adequate working infrastructure tools and equipment ✓ Equipping an ultramodern ICT laboratory and installing computers in all study areas 	<ul style="list-style-type: none"> ✓ Staff establishment ✓ Appointment letters ✓ Developed training programmes ✓ Number of staff trained ✓ Complete classrooms ✓ Tools, equipment and learning materials in place ✓ Number of computers installed ✓ Functional human resource financial management and student management systems 	<ul style="list-style-type: none"> ✓ Undertake staff establishment survey ✓ Implement staff establishment survey ✓ Recruit additional staff ✓ Develop training programme ✓ Train staff ✓ Construct 4 classrooms ✓ Establish and furnish modern tuition block ✓ Acquire tools equipment and learning materials

<p>Pillar 2:</p>	<p>Maximizing the Impact of partnerships and Stakeholders</p>	<ul style="list-style-type: none"> ✓ Establishing and operationalising the TSNP Alumni Association ✓ Reaching out to donors to partially underwrite the infrastructural developments ✓ Establishing working partnerships with industrial entities locally, regionally and nationally ✓ Maintaining a working relationship with County and national governments on funding the Institute ✓ establishment of income generating across all departments that provide goods/services to the public 	<ul style="list-style-type: none"> ✓ Registration certificate ✓ Functional alumni Association Office ✓ Alumni database ✓ Alumni publicity materials ✓ Number of meetings held ✓ Number of fundraisers held ✓ Donor mapping documents ✓ Number of proposals written ✓ Number of projects funded ✓ Number of corporate industrial entities ✓ Number of MOAs signed with selected corporate entities 	<ul style="list-style-type: none"> ✓ Register the TSNP Alumni association ✓ Establish alumni office ✓ Draw a list of relevant potential donors ✓ Write proposals to selected donors ✓ Draw a list of local, regional and national corporate industrial entities ✓ Enter MOAs with selected corporate industrial entities
<p>Pillar 3:</p>	<p>Enhancing the student experience</p>	<ul style="list-style-type: none"> ✓ Establishment of safe and modern hostels for female and male students ✓ Widening of the variety of sports and games offered 	<ul style="list-style-type: none"> ✓ Number of hostels established ✓ Number of new entertainment activities est. ✓ Number of new sports and games established 	<ul style="list-style-type: none"> ✓ Established safe and modern hostels ✓ Widen the variety of entertainment/leisure activities ✓ Establish adequate classroom ✓ Establish and furnish a ICT centre ✓ Install a fool proof security system

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

		<ul style="list-style-type: none"> ✓ Widening of variety of entertainment ✓ Establishment of a modern dining hall ✓ Establishment of an ICT centre ✓ Establishment of a guaranteed security system 	<ul style="list-style-type: none"> ✓ Classrooms established ✓ Number of ICT centres established ✓ Functional and secure security system 	
--	--	--	--	--

8. Corporate Governance Statement

The Institute's Council of Management was appointed in 14th October 2023 by the Cabinet Secretary, Education as per the Ministry's regulations and was inaugurated on 16th December 2023. Members are 9 as listed below,

1. Eng. Musa OsiekoKulubi Chairman
2. Mr. Elisha Nyamu Secretary
3. Mr.Boaz Harrison Khavinguha Member
4. Mr. Jonah Misoi Member
5. Ms Jane Paulin Maeri Mito Member
6. Ms. Mildred Akinyi Wandema Member
7. Mr. Rafael Shiundu Member

We regret to report the passing on of our two Council members namely Mr. Mwalati Masayi Justinian and Mr. Theddeus Orare Oanya who was the Ministry representative. May God rest their souls in eternal peace. The Council is committed to ensuring good governance of the Polytechnic by upholding the values of teamwork, integrity, accountability, transparency and fairness.

The Council Meetings Attendance

The Council consists of 9 members inclusive of the Principal as the secretary. The Council members and their meeting attendance are indicated below;

Full Council members and Meetings Attendance

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Date	Date	Date	Date
	10.7.2024	24.10.2024	24.01.2025	11.04.25
Eng. Musa Osieko	✓	✓	✓	✓
Mr. Elisha Nyamu	✓	✓	✓	✓
Mr. Rafael Shiundu	✓	✓	✓	✓
Mr.Harrison Kavinguha	✓	✓	✓	✓
Ms. Jane Paulline Mito	✓	✓	✓	✓
Mr. Jonah Misoi	✓	✓	✓	✓
Ms. Mildred Wandema	✓	✓	✓	✓
Mr. Masayi Mwalati	✓	✓	x	x
Dr. Meshack Opwora	✓	x	x	x
Mr. Joseph Sunguti	✓	✓	x	x

**The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025**

Finance and Human Resource Committee members and Meetings Attendance

NO	NAME	Quarter 1		Quarter 2	Quarter 3	Quarter 4
		Date	Date	Date	Date	Date
		5.7.2024	25.9.2024	-	23.01.2025	9.04.2025
1	Mr.Elisha Nyamu	✓	✓	-	✓	✓
2	Mr Jonah Misoi	✓	✓	-	✓	✓
3	Dr. Harrison Kavinguha	✓	✓	-	✓	✓
4	Mr. Raphael Shiundu	✓	✓	-	✓	✓
5	Mrs.Dorice Wamalwa	✓	✓	-	✓	✓

Education, Research, Training and Innovation Committee members and meetings

Attendance

NO	NAME	Quarter 1		Quarter 2	Quarter 3		Quarter 4
		2.7.24	18.9.24	-	22.01.25	19.03.25	-
1	Mr. Jonah Misoi	✓	✓	-	✓		-
3	Mr. Raphael Shiundu	✓	✓	-	✓		-
4	Mr. Masayi Mwalati	✓	✓	-	✓		-
5	Dr. .Elisha Nyamu	✓	✓	-	✓		-
6	Dr. .Harrison Kavinguha	✓	✓	-	✓		-

Risk And Audit Committee members and meetings Attendance

NO	NAME	Quarter 1		Quarter 2	Quarter 3		Quarter 4
		4.7.2024	20.9.2024		23.01.2025	21.03.25	
1	Ms. Mildred Akinyi Wandema	✓	✓	-	✓	✓	-
3	Ms. Jane Paulin Mito	✓	✓	-	✓	✓	-
4	Mr. Masayi Mwalati	✓	✓	-	-	-	-

Functions of the Council

The Council of Management, during the inauguration on 16th December 2023, was sensitized on their roles and responsibilities according to the TVET Act which were:

- a) Overseeing the conduct of education and training in the Polytechnic in accordance with the provisions of TVET Act 2013 and any other written law.
- b) Promoting and maintaining standards, quality and relevance in education and training in the Polytechnic accordance with the TVET Act 2013 and any other written law.
- c) Administering and managing the property of the Institute
- d) Developing and implementing the Institute's Strategic Plan
- e) Preparing annual estimates of revenue and expenditure for the Polytechnic and incurring expenditure on behalf of the Polytechnic.
- f) Receiving, on behalf of the Institute, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons.
- g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of TVET Act 2013
- h) Mobilizing resources for the Polytechnic.
- i) Developing and reviewing programs for training and to make recommendation to TVETA – *the Council is in the process of launching CBET Curriculum*s

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Annual Report and Financial Statements for the year ended 30th June 2025

- j) Regulating the admission and exclusion of students from the Institute, subject to a qualifications framework and the provisions of TVET Act 2013.
- k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Ministry.
- l) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry.
- m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the Polytechnic in consultation with the Authority.
- n) Making regulations governing organization, conduct and discipline of the staff and students
- o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Council.
- p) Providing for the welfare of the students and staff of the Institute
- q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Institute.
- r) Discharging all other functions conferred upon it by TVET Act 2013 or any other written law

To achieve the above objectives, the Council has in place 3 sub-committees:

- a) Finance and infrastructure committee
- b) Education, Research, Training and innovation and human resource committee.

Risk and Audit Committee
Management Discussion and Analysis

9. Management Discussions And Analysis

SECTION A

The TSNP's operational and financial performance.

During the financial year ended 30th June 2025, The Polytechnic received income from the government of Kenya in form of capitation grants and sponsorship of ksh 103,867,218 for quarter one ,two and three and a further 9,581,425.00 for quarter four of the financial year 2023/2024. Income from students fees during the financial year 2024/2025 was **ksh 222,804,206** as computed on accrual basis of accounting, however the actual cash received was ksh 130,280,537ygr . A further sum of ksh 14,208,823 was received from production units and Ksh 247,000 from hire of the polytechnic bus and polytechnic grounds and conference facilities.

The total cumulative revenue for the financial year 2024/2025 was therefore Ksh. 341,127,247 and total expenditure of Ksh 259,077,680 resulting into a net surplus of Ksh 82,049,567

Income generating Activities -Production Units.

Due to fluctuations in the government disbursement of capitation, its envisaged that production Units be enhanced to boost the implementation of the Polytechnic budget. However, our income generating activities have been struggling under the current difficult economic conditions of rising costs of inputs and elaborate procurement procedures as is defined by the law. The following is a summary of how our income generating activities performed in the year ended 30th June 2025'

Statement on performance of production units

Description	Sales ksh	Cost Ksh	Profit/Loss	Profit/loss
			Period ended 30 th June 2025	Period ended 30 th June 2024
Cafeteria Sales	5,211,458	6,392,724	(1,181,266)	(6,465,739)
Sale of farm produce	671,445	706,380	(34,935)	(2,528,267)
Guest House	2,040,730	2,461,301	(420,571)	(736,235)
Mechanical workshop	4,366,800	3,762,026	604,774	1,255,507
Hire of Facilities and Bus	247,000		247,000	581,600
IT Department	1,518,000		1,518,000	
General other PU Sales	400,390		400,390	
Sub Total	14,455,823	13,322,431	1,133,392	(7,893,134)

Notes

- i) The cafeteria production units realised a loss of 1,181,226, as compared to 6,465,739 in the previous year, this is attributed to a change in the mode of purchases in this department in which the cateress is issues with seed money to undertake purchases.
- ii) The farm equally realised a loss of 34,935 compared to sh 2,528,267 in the previous year, this is attributed to a general improvement in milk production and sale of fish and vegetables. The farm has invested heavily in apiary where we expect production of honey from 100 bee hives. The farm has also introduced a Piggery and construction of a chicken coop is almost complete.
- iii) Mechanical workshop profits went down by sh 650,733 due to lack of business.
- iv) The PU department is diversifying her operations by introducing other PU Centres such as the IT department, Car wash which has already picked and the day care.

SECTION B

TSNP's compliance with statutory requirements

In the financial year under review The Shamberere National Polytechnic complied with all the statutory obligations.

SECTION C

Key projects and investment decisions the TSNP is planning/implementing).

The Polytechnic has the following projects.

i) Construction of Prefabricated Class rooms

Due to the ever increasing student population and given the financial constraints occasioned by low fees paymets by students and dwindling government support in terms of capitation, we have put up 5 prefab classrooms to accommodate our trainees.

ii) Construction of a store

We have constructed a central stores which is ready for use

iii) Completion of construction of 4 classrooms

This project was initiated last year and has been completed in this financial year.

SECTION D

The Polytechnic financial assets are trade receivables and cash and short term deposits which arise directly from its operations. The Polytechnic has financial liabilities comprising trade and other payables.

The Polytechnic has exposure to the following risks:

- i) Liquidity risks
- ii) Credit risks

The Council has overall responsibility for the establishment and oversight of the Institute's risk management framework. The Council through their regular meetings addresses risks associated with internal operations.

Liquidity risk

Liquidity risk is the risk that the Polytechnic will not be able to meet its financial obligations as and when they fall due. The Institute's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Institute's reputation. Typically the Polytechnic ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence.

Credit risk

Credit risk is the risk of financial loss to the Polytechnic if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The Management ensures that student debtors clear their fees arrears before their documents (Certificates) are released.

Shamberere NP did not have any material arrears in statutory/financial obligations in the year under review

Material Arrears in Statutory and other financial obligations

The Shamberere National Polytechnic did not have any material arrears in statutory and other financial obligations in the Year under review

SECTION E

Material arrears in financial obligations.

The Shamberere National Polytechnic had pending bills amounting to **ksh 5,056,351.00** as at **30th June 2025**.

**The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025**

SECTION F

TSNP's financial probity and serious governance issues

The Shamberere National Polytechnic has currently no serious issues on financial probity and governance.

10. Environmental And Sustainability Reporting Statement

The Shamberere National Polytechnic exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on five pillars: putting the customer/citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar.

Sustainability Strategy and profile

The Shamberere NP has made progress with regard to sustainability strategy and profile. These have done through clearly setting visions, mission and values that clearly reflects The Shamberere NP culture.

The elements have been integrated into a four year strategic plan with clearly stipulated programmes, targets and key performance indicators.

The institution has received capitation, development grants, HELB bursaries and County Development Funds that has enabled the institution make progress in improving infrastructure, enhance student experience and improve employees' welfare.

Environmental performance

The institution has a keen interest in managing biodiversity and waste management. These has been achieved by ensuring that the institution waste does not find its way into the community and participating in community clean-up exercise and tree planting. The polytechnic has a robust tree planting program where in we managed to plant over 5000 trees in the just concluded financial year

Employee welfare

The institution through its strategic plan has a comprehensive staff establishment guidance that stipulates recruitment based on gender, improving skills and managing careers. The institution has supported employees attend seminars and training programmes.

The organization also adheres to Occupational Safety and health Act of 2007, (OSHA)

Market place practices-

a) Responsible competition practice

The Shamberere NP being a government institution is on the forefront in ensuring responsible completion by complying with the Public procurement and disposal Act 2012 on open tendering for goods, services and works where bids are subjected to fair

completion. The college has a complaints centre that handles corruption related cases and reports them to the council and has created awareness on corruption through anti-corruption posters.

b) Responsible Supply chain and supplier relations

TSNP Communicates with suppliers at every stage of procurement as is stipulated in the law, writing to successful bidders letters of award and regret letters to unsuccessful bids.

c) Responsible marketing and advertisement or Responsible engagement with the citizens.

The TSNP has a well defined marketing department headed the Registrar in charge of Academics. The department operates on a well prepared programme and budget that guides the operations.

d) Product stewardship or Awareness Creation

TSNP offers courses that are accredited by TVETA thereby assuring quality in the programmes offered. The polytechnic equally adheres to all the laws governing employee welfare such as employment Act, NSSF Act, Sha Act etc

Corporate Social Responsibility / Community Engagements

i) Free HIV/AIDS Sensitization, counselling and Testing

The Guiding and counselling department organised for a free HIV/AIDS sensitization counselling and testing exercise through the government health department of Malava Sub county hospital. A notice to create awareness of this event was put at various strategic points within the community. The community responded positively and the event was successful. Under this program, the community was sensitized on; sexually transmitted diseases, Importance of HIV testing, prevention services ie PEP, PREP, HEI (HIV Exposed Infant), prophylaxis, Importance of ARVs in relation to HIV and importance of pf partner testing.

ii) Development and Knowledge Dissemination to small holder farmers in Shamberere Area in Partnership with YARA East Africa

The above program involved field days for farmers and stakeholders in crop production around the Shamberere Community. These were conducted at the Polytechnic on established demonstration farm units in a 2-acre piece of land provided by the Polytechnic. The community was mobilized through local administration and farmer groups to form clusters for training and linkages

Key benefits from the program included

- i) Soil sampling and testing
- ii) Linkages to agribusiness off-takers
- iii) Access to high quality farm inputs
- iv) Trainings on post-harvest management processes
- v) Access to real-time training in cereal crop and vegetable production

Due to the success of the program, the Polytechnic is currently setting up a field farmer school (FFS) for continuous training and certification of farmers on short courses. This shall be done

The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

through collaboration with SATEC, Department of Agriculture, Research, and ILO with the intention to ensure quality training, recognition of prior learning, and improved linkages through value chain-based farmer cluster formation.

11. Report of The Council

The Council members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the *entity's* affairs.

Principal activities

The principal activities of the TSNP is to provide training to artisans, craftswomen and men, technicians, businesswomen and men at artisan, craft and diploma certificate levels.

Results

The results of TSNP for the year ended **June 30th June 2025** are set out on page 1 to 6

The Council

The members of the Council who served during the year are shown on page xi to xvi. We are sorry to report that during this period we lost two Council members Mr. Masayi Mwalati and Mr. Theddeus Orare Oanya who was The representative of the Ministry.

Auditors

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

By Order of the Council

By Order of the Council

PRINCIPAL
THE SHAMBERERE NATIONAL POLYTECHNIC
P. O. Box 1316, 50100, KAKAMEGA
Email: info@shambererenationalpoly.ac.ke
Date: Sign:

Date: 8th Oct 2025

**The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025**

12. Statement of Council's Responsibilities

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

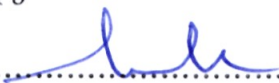
The Council members are responsible for the preparation and presentation of the TSNP's financial statements, which give a true and fair view of the state of affairs of the TSNP for and as at the end of the financial year (period) ended on **June 30th 2025**. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the TSNP, (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 TSNP, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for the TSNP'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, and the TVET Act. The Council members are of the opinion that the TSNP's financial statements give a true and fair view of the state of TSNP's transactions during the financial year ended **June 30th 2025**, and of the TSNP's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the TSNP, which have been relied upon in the preparation of the TSNP'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 TSNP's ability to continue as a going concern and nothing has come to the attention of the Council members to indicate that the TSNP will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The TSNP's financial statements were approved by the Council on **14th June 2025** and signed on its behalf b

.....


Name: Eng. Musa Osieko Kulubi.

Chairperson, Council.



REPUBLIC OF KENYA

Telephone: +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 THE SHAMBERERE NATIONAL POLYTECHNIC FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of The Shamberere National Polytechnic set out on pages 1 to 34, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in

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

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

Basis for Qualified Opinion

1. Long Outstanding Trade and Other Receivables Balance

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.532,027,022 and as disclosed in Note 16 to the financial statements. However, review of the receivables ageing analysis revealed that receivables totaling Kshs.394,629,492 had been outstanding for a period of more than twelve (12) months and Management did not have a clear framework of recovery.

In the circumstances, the accuracy, completeness and recoverability of current portion of receivables from exchange transactions balance of Kshs.394,629,492 could not be confirmed.

2. Unsupported Trade and Other Payables

The statement of financial position reflects trade and other payables from exchange transactions balances of Kshs.5,056,351 and Kshs.6,751,840 as at 30 June, 2025 and 30 June, 2024, respectively. However, the payables ledgers provided for audit review do not indicate how the payables reduced by Kshs.1,695,489 from previous year balance of Kshs.6,751,840 to the current balance of Kshs.5,056,351.

In the circumstances, the accuracy and completeness of trade and other payables from exchange transactions balance of Kshs.5,056,351 as at 30 June, 2025 could not be confirmed.

3. Unconfirmed Refundable Deposits from Customers

The statement of financial position reflects refundable deposits from customers amounting to Kshs.705,121 in respect to students caution money. However, the general ledgers provided for audit review do not include key details such as the date of receipts, student's enrolled program or course of study and refunds made to students. Further, the deposits were not banked in a separate savings account.

In the circumstances, the accuracy, existence and completeness of refundable deposits from customers balance of Kshs.705,121 could not be confirmed.

4. Lack of Ownership Documents

The statement of financial position reflects property, plant and equipment balance of Kshs.525,695,971 which include two (2) parcels of land of approximate size of 5.4 HA and valued at Kshs.33,702,780. However, Management did not provide ownership documents for the two parcels of land for audit review.

In the circumstances, accuracy, completeness and ownership status of land valued at Kshs.33,702,780 could not be confirmed.

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

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 previous year audit report, several issues were raised under Report on Financial Statements, Emphasis of Matter, Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance, as detailed in **Appendix I**. However, only the status of one issue on lack of land ownership documents has been disclosed under implementation status of Auditor-General's Recommendations section of the financial statements as unresolved. The status of other issues has not been disclosed.

In the circumstances, the issues remain unresolved.

Other Information

The Management is responsible for the Other Information set out on page iii to xxxiv which comprise of Key Entity Information and Management, the Council, Key Management Team, Chairman's Statement, Report of the Chief Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report

of the Council and Statement of Council's 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, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Non-Compliance with Law on Staff Ethnic Diversity

Review of staff bio data for the month of June, 2025 revealed that the Polytechnic had one hundred and five (105) members of staff on contract, permanent and pensionable terms, out which eighty-eight (88) staff members or 84% were from one ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which states that no public establishment shall have more than one third of its staff from the same ethnic community.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Appendix 1: Unresolved Prior Year Matters

Reference No. of the Auditor-General's Report	Title of Audit Issue
	Report on the Financial Statements
1	Long Outstanding Trade and Other Receivables Balance
2	Unsupported Security Services Expenditure
3	Inaccuracy in the Statement of Changes in Net Assets
4	Lack of Ownership Documents
	Emphasis of Matter
	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Non-Compliance with Law on Staff Ethnic Diversity
2	Partial Implementation of Enterprise Resource Planning (ERP) System
	Report on the Effectiveness of Internal Controls, Risk Management and Governance
	Information Communication Technology Internal Control Environment Weaknesses

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 matter 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

Failure to Insure Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.525,695,971. However, Management had not insured the assets against fire, burglary and other risks.

In the circumstances, the Polytechnic is exposed to huge lost in the event of occurrence fire, burglary or any calamity.

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

Responsibilities of the Management and the Council

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 sustain services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless Management is aware of the intention to cease operations.

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

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

Report of the Auditor-General on the Shamberere National Polytechnic for the year ended 30 June, 2025

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

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

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

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

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


FCPA Nancy Oathungu, CBS
AUDITOR-GENERAL

Nairobi

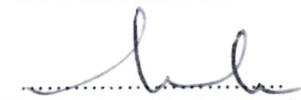
02 December, 2025


The Shamberere National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025


14. Statement of Financial Performance For The Year Ended 30th June 2025

Description	Notes	Year ended 30 th June 2025	Year ended 30 th June 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants/ gifts in kind	5	103,867,218	74,424,013
Total Revenue from non- exchange transactions		103,867,218	74,424,013
Revenue from exchange transactions			
Rendering of services- Fees from students	6	222,804,206	141,986,860
Sale of goods	7	14,208,823	9,951,505
Hire of facilities and equipment	8	247,000	138,000.00
Revenue from exchange transactions		237,260,029	152,076,365
Total revenue		341,127,247	226,500,378
Expenses			
Use of goods and services	9	171,087,352	141,347,195
Employee costs	10	42,378,098	34,625,736
Council Expenses	11	3,586,250	4,651,043
Depreciation and amortization expense	12	35,027,066	37,966,573
Repairs and maintenance	13	6,849,955	5,771,641
Finance costs	14	148,958	151,922
Total expenses		259,077,680	224,514,110
Net Surplus for the Period		82,049,567	1,986,268

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


 Eng. Musa Kulubi Osieko
 Council, Chairman


 Dr. Elisha Nyamu
 Principal
 THE SHAMBERERE NATIONAL POLYTECHNIC
 P. O. Box 1316-50100, KAKAMEGA
 Email: info@shambererenationalpoly.ac.ke
 Date..... Sign.....


 CPA Josiah Egadwa
 Finance Officer
 ICPAK No. 14179


The Shamberere National Polytechnic
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15.

Statement of Financial Position For The Year ended 30th June 2025


Description	Notes	Year ended 30 th June 2025	Year ended 30 th June 2024
Assets			
Current assets			
Cash and cash equivalents	15	23,159,979	19,627,712
Current portion of receivables from exchange transactions	16	532,027,022	305,792,792
Current portion of receivables from Non exchange transactions	17	0	13,072,000
Inventories	18	4,758,865	4,122,811
Total Current Assets		559,945,866	342,615,315
Non-current assets			
Property, plant and equipment	19	525,695,971	528,724,680
Intangible assets	20	1,913,369	1,532,089
Biological Assets	21	1,243,270	1,693,270
Total Non current Assets		528,852,610	531,950,039
Total Assets		1,088,798,476	874,565,354
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	22	5,056,351	6,751,840
Refundable deposits from customers	23	705,121	699,622
Payments Received in Advance	24	28,072,797	18,666,551
Total Current liabilities		33,834,269	26,118,013
Non-current liabilities			0.00
Total liabilities		33,834,269	26,118,013
Net assets		1,054,964,207	848,447,341
Represented by:			
Revaluation Reserves		159,025,813	159,025,813
Accumulated Surplus		224,921,432	142,871,865
Capital Fund		671,016,962	546,549,663
Net Assets		1,054,964,207	848,447,341

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


.....
Eng. Musa Kulubi Osieko
Council, Chairman


.....
Dr. Elisha Nyamu
Principal

THE SHAMBERERE NATIONAL POLYTECHNIC
P. O. BOX 100, KAKAMEGA
Email: info@shambererenationalpoly.ac.ke
Date..... Sign.....


.....
CPA Josiah Egadwa
Finance Officer
ICPAK No. 14179

16. Statement of Changes in Net Asset For The Year Ended 30th June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)	159,025,813	102,919,024	442,365,388	704,310,225
Revaluation gain		-	-	-
Surplus for the year	-	1,986,268	-	1,986,268
Capital grants received during the year	-	-	-	-
Other Changes			142,150,848	142,150,848
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	37,966,573	(37,966,573)	-
At June 30, 2024	159,025,813	142,871,865	546,549,663	848,447,341
At July 1, 2024 (current year)	159,025,813	142,871,865	546,549,663	848,447,341
Other changes	-	-	124,467,299	124,467,299
Surplus for the year	-	82,049,567	-	82,049,567
Capital grants received during the year	-	-	-	-
At June 30, 2025	159,025,813	224,921,432	671,016,962	1,054,964,207

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17. Statement of Cash Flows For The Year Ended 30th June 2025

Description	Note	Year ended 30 th June 2025	Year ended 30 th June 2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from National Government entities		113,448,643	61,352,013
Rendering of services- Fees from students		130,280,537	118,692,957
Sale of goods		2,075,808	9,951,505
Hire of facilities and equipment	8	247,000	138,000
Total Receipts		246,051,988	190,134,475
Payments			
Employee Costs	10	42,378,098	34,625,736
Use of goods and services		166,031,001	134,595,349
Remuneration of directors	11	3,586,250	4,651,043
Repairs and maintenance		6,849,955	5,771,641
Finance costs		148,958	151,922
Other payments			
Total Payments		218,994,262	179,795,691
Net cash flows from operating activities		27,057,726	10,338,784
Cash flows from investing activities			
Purchase of property, plant, equipment		(22,187,639)	(21,937,598)
Purchase of Intangible Assets		(1,337,820)	(300,000)
Purchase of Biological Assets			(36,730)
Total Payments		(23,525,459)	(1,055,000)
Net cash flows from investing Activities		(23,525,459)	(23,255,868)
Cash flows from financing activities			
Proceeds from borrowings			
Repayment of borrowings			
Net cash flows used in financing activities			
Net increase in cash and cash equivalents			(12,917,084)
Cash and cash equivalents at beginning of the period		19,627,712	32,544,796
Cash and cash equivalents at end of the period		23,159,979	19,627,712

Notes to the cash flow statements

i) Transfers from other Government entities – Gov grants sh113,448,643 This is cash income from the government of Kenya MOE capitation grants received which includes capitation for Quarter 4 of the financial year 2023/2024 of Ksh. 9,581,425.0

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ii) Net cash flows from operating activities ksh 27,057,726 arose from the excess of operating activities ksh 246,051,988 over operating expenses ksh 218,994,262

ii) Purchase of property, plant, equipment Ksh 17,799,381 relates to;

Ksh

- Construction of buildings..... 12,155,348.00
- procurement of furniture and fittings 920,220.00
- Procurement of Computers2,553,913.00
- Procurement of Library books..... 2,169,900.00
- Work in progress4,388,258.00

iii) Intangible Assets Ksh 1,337,820 refers to payments towards Abno ERP system.

iv) Cash flows from operating activities comprises of;

Cash income

Transfers from National Government entities	113,448,643	
Rendering of services- Fees from students	130,280,537	
Sale of goods	2,075,808	
Hire of facilities and equipment	<u>247,000</u>	246,051,988

Less Cash Expenditures

Employee Costs	42,378,098	
Use of goods and services	166,031,001	
Remuneration of directors	3,586,250	
Repairs and maintenance	6,849,955	
Finance costs	<u>148,958</u>	(218,994,262)
Net Cash flows from operating activities		27,057,726

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18. Statement of Comparison of Budget & Actual amounts For Year ended 30th June 2025

Description	Original annual Budget	Adjustments	Final Annual Budget	Actual on a comparable basis	Budget utilization difference	% of Utilization
	A	B	C=(a+b)	D	E=c-d	F=d/c
Revenue	Kshs	Kshs	Kshs		Kshs	Kshs
Transfer from National Govt	150,000,000		150,000,000	113,448,643	36,551,357	75.6
Rendering of services- Fees from students	252,661,500	-	252,661,500	130,280,537	153,681,911	51.5
Sale of goods	23,831,400	-	23,831,400	2,075,808	21,755,592	8.7
Other income		-		247,000		
Total Revenue	426,492,900	-	426,492,900	246,051,988	211,988,860	57.6
Expenditure						
Use of goods and services	328,857,822		328,857,822	166,031,001	162,826,821	50.4
Employee costs	50,617,968	-	50,617,968	42,378,098	8,239,870	83.7
Remuneration of directors	8,000,000	-	8,000,000	3,586,250	4,413,750	44.8
Repairs and maintenance	16,082,850	-	16,082,850	6,849,955	9,232,895	42.9
Finance costs	100,000	-	100,000	148,958	(48,958)	148.9
Total Recurrent Expenses	403,658,640		403,658,640	218,994,262	184,664,378	54.25
Capital Expenditure Items						
Property plant And Equipment	20,489,240		20,489,240	22,187,639	(1,698,399)	108
Intangible Assets	2,345,020		2,345,020	1,337,820	1,007,200	57.0
Total Capital Expenditure Items	22,834,260		22,834,260	23,525,459	(691,199)	103
Total Expenditure	426,492,900		426,492,900	242,519,721	183,973,179	54
Surplus	0.00		0.00	3,532,267		

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Budget notes

- i) The variance of 24.4% on Revenue grant from the government (Capitation) arose due to The MOE partial disbursement of capitation.
- ii) The variance on Revenue from exchange transactions -fees from students at 56.1% is attributed to very low fees revenue from students.
- iii) Performance of the production unit realised very low income at a paltry 8.7%, this is due to closure of the guest house which is under going re construction. The farm lost two dairy cows through death, The mechanical workshop suffered loss of business through diminishing demand for products and the catering unit continues to suffer through high input costs as compared to the sales realised.
- iv) Budget Reconciliation

	Description of Particulars	Amount in Kshs
1.	Actual Surplus Amounts as per the statement of Budget	3,532,267
2.	Add cash and cash equivalents as at 1 st July 2024	19,627,712.00
	Closing Cash and Cash Equivalent as per the statement of Cash flows	23,159,979

Notes to the Financial Statements

1. General Information

The Shamberere National Polytechnic is established by and derives its authority and accountability from the TVET Act 2013. The TSNP is wholly owned by the Government of Kenya and is domiciled in Kenya. The TSNP's principal activity is

2. Statement of Compliance and Basis of Preparation

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

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2024)

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

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

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

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Standard	Effective date and impact:
IPSAS 43: Leases	<p>Applicable 1st January 2025</p> <p>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.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p>
IPSAS 45: Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>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.</p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p>

	<p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<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 transfer</p>
IPSAS 49: Retirement Benefit Plans	<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>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity’s financial statements.)*

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Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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.

Budget information

The original budget for **FY 2024/2025** was approved by the Council or Board on **29th January 2024**. 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 *0.00* on the FY 2024/2025 budget following the Council 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 Cashflows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per the first schedule of the *Income tax Act cap 410*

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.

The following are the rates applied in depreciating of The Shamberere National Polytechnic Assets:

- a) Buildings 2%
- b) Motor vehicles 25%
- c) Furniture and fittings 12.5%
- d) Computers 33.3%
- e) Library books 20%
- f) Plant and Equipment 12.5%
- g) Intangible Assets are Amortised at the rate of 33.3%

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

...ieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *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 an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

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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.

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

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*.

l) 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.

m) Social Benefits

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

n) Nature and purpose of reserves

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

o) 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.

p) 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.

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

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

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.

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.

u) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

v) Comparative figures

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

w) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025

4. Significant Judgments and Sources of Estimation Uncertainty

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

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 xxx.

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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Transfers from other National Government entities

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Unconditional grants		
Capitation grants		
Quarter 1	Ksh 13,426,925	
Quarter 2,3	Ksh 32,330,425	103,867,218.00
Sponsorship (New funding model)	Ksh 58,109,868	74,424,013
Total government grants and subsidies	103,867,218.00	74,424,013

Notes

Capitation Actual received

Quarter 4 2023/2024	ksh. 9,581,425.00	
Quarter 1 2024/2025	ksh. 13,426,925.00	
Quarter 2,3 2024/2025	ksh. 32,330,425.00.....	55,338,775.00
Sponsorship Actual received.....		58,109,868.00
Total Actual Received		113,448,643.00

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6. Rendering of Services

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Tuition fees	3,140,405	5,987,743
Activity fees	152,764	948,945
Personal Emoluments	286,354	522,386
Local Travel and Transport	115,373	211,223
Repairs Maintenance and Improvements	58,364	112,369
Attachment and Medical fees	93,821	261,223
Students Identity Cards	7,218	31,394
Students Council	48,556	103,349
Admission fees	12,800	70,708
Electricity Water and Conservancies	152,666	377,915
Examination fees	32,408,387	20,721,464
Hostels	340,629	429,964
Development Fees	-	1000
Administration fees	-	200
Book levy	-	600
Council Induction Expenses	-	1,260,000
NYS Subsidy	19,145,600	144,800
Tender fees	1000	-
ICT PACKAGES	19,450	4,700
Graduation	30,000	
Training Materials	29,955	315,130
Replacement Fund/Caution money 3999+1500	5,499	119,416
Joy Project	122,000	
KUCCPS	647,130	511,100
TVETA	138,500	107,900
Recognition of Prior Learning RPL 2000+43400	45,400	91,000
Student bursaries	11,812,060	8,181,497
HELB Loans	61,398,606	77,140,659
Salary Advances Recovered	68,000	114,000
Fees Arrears	120,596,465	42,882,726
Less fees prepaid	(28,072,796)	(18,666,551)
Totals	222,804,206	141,986,860

Sale of Goods

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Ksh	Ksh
Cafeteria Sales 660,421	5,211,458	3,845,256
Sale of farm produce 63,595	671,445	584,735
Guest House 2,366,910	2,040,730	2,257,165
Mechanical workshop 240,800	4,366,800	2,682,749
IT Department	1,518,000	0.00
General other PU Sales	400,390	581,600
Sub Total	14,208,823	9,951,505

8. Hire of facilities and equipment

Description	Year ended June 2025	Year ended 30 th June 2024
	KShs	KShs
Hire of Facilities	18,000	0.00
Hire of Bus	229,000	138,000
Total	247,000	138,000

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9. Use of Goods and Services

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Electricity Water and Conservancies	5,370,681	2,883,375
Tuition Expenses	35,404,970	24,388,670
Local Travelling and transport	11,866,623	8,241,790
LT&T KBR 702U	2,079,005	3,945,984
LT&T KDG 158C	721,187	1,195,040
LT&T KCE 807D	1,459,372	2,018,102
KAT	239,217	147,586
Training Materials Expenses	15,185,788	10,238,164
Teaching Materials-NYS		52,760
Activity Expenses	8,189,892	6,467,561
Administration Expenses	5,873,790	4,935,813
Medical Expenses	500,389	403,467
Attachment Expenses	2,614,500	2,609,438
General Examination Expenses	25,128,507	15,313,180
Examination - KNEC	24,029,280	20,205,200
Cafeteria Expenses	6,392,724	10,310,995
Farm Expenses	706,380	3,113,002
Guest house Expenses	2,461,301	2,993,400
Mechanical Workshop Expenses	3,762,026	1,427,242
Fees Refunds	93,700	
Student council Expenses	3,931,800	1,872,743
HELB Refunds	517,752	616,644
Student Identity cards	22,050	
Marketing and Advisement Expenses	2,484,040	945,600
Hostel Expenses	933,426	2,032,219
Jitume Project		1,461,894
Professional bodies subscriptions	279,550	109,050
Guiding and counselling Expenses	40,000	36,960
VAT withholding tax	1,729,050	895,770
Corporate Social Responsibility CSR	55,000	0.00
Chevaywa TVC	3,031,885	3,656,400
RPL Expense	712,565	0.00
TVET Fair	0	426,100
Joy /Satec	214,550	94,000
Council Induction	0	1,557,200
Pending bills	5,056,351	6,751,846
Total Goods and services	171,087,352	141,347,195

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Employee Costs

	Year ended 30th June 2025	Year ended 30th June 2024
	KShs	KShs
Personal Emoluments Non- Teaching staff	12,935,648.59	9,245,903
Personal Emoluments Council Trainers Staff	8,469,716	8,141,961
TSNP Welfare	1,832,340	1,090,927
Staff Welfare	1,021,744	1,380,229
SACCO Deductions	2,228,898	2,217,379
NHIF	588,483	635,150
NSSF	2,453,191	2,237,868
PAYE	1,123,094	904,768
Salary Advances	67,693.00	62,000
Staff Training Development Workshops	10,370,042	8,106,164
Gratuity	0	94,589
Housing Levy	610,051	508,798
Pension Fund	628,248	
NITA	48,950	
Total Employee Costs	42,378,098.59	34,625,736

11. Council Expenses

Description	Year ended 30th June 2025	Year ended 30th June 2024
	Kshs	Kshs
Chairman's Honoraria	630,000	330,000
Directors Emoluments	2,956,250	4,321,043
Total	3,586,250	4,651,043

N/B The chairman's honoraria was effected from December 2024 at the rate of Ksh 60,000.00 per month.

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12. Depreciation and Amortization expense

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	Ksh
Property, plant and equipment	34,070,526	37,201,677
Intangible assets	956,540	764,896
Total depreciation and amortization	35,027,066	37,966,573

13. Repairs and Maintenance

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
General Repairs	6,849,955	5,771,641
Total repairs and maintenance	6,849,955	5,771,641

14. Finance Costs

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Bank Charges	148,958	151,922
Total finance costs	148,958	151,922

15. Cash and Cash Equivalents

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
KCB Main A/c 1114269840	1,317,959	790,145
KCB Examinations A/c 1114270083	10,085,499	9,566,253
KCB Development A/c 1114270032	68,030	70,601.25
Co- op Bank A/c 01139166706600	10,897,329	8,257,267
Diamond Trust Account	713,805.00	713,805
National Bank	190.00	190
Petty Cash Main Account	21,037.00	39,225
Petty Cash Production Units	56,130	1,776
Imprest Holdings	0	188,450
Total Cash and Cash Equivalents	23,159,979	19,627,712

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16. Current Receivables from Exchange transactions

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Current receivables		
1. Student debtors		
a) Fees arrears FY2023/2024 Ksh 120,596,465		
b) Previous years Ksh 368,192,318		
	508,258,695	272,653,929
Other debtors		
a) FY 2023/2024 Ksh 91,500		33,138,863
b) Previous years Ksh. 23,676,827	23,768,327.00	
Total Current Receivables	532,027,022	305,792,792

(a) Ageing Analysis of Receivables from Exchange transactions

Description	Year ended 30 th June 2025		Year ended 30 th June 2024	
	Kshs.		Kshs.	
		% of total		% of the total
Less than 1 year				
1. Student debtors Ksh 120,596,465	137,397,530	25%	51,439,461	16%
2. Other debtors Ksh 16,801,065				
Between 1- 2 years				
1. Students debtors Ksh. 240,886,170	243,861,782	45%	132,444,460	43%
2. Other debtors Ksh. 2,975,612				
Between 2-3 years				
1. Student debtors Ksh. 47,145,648	51,137,298	9%	73,854,033	24%
2. Other debtors Ksh.. 3,991,650				
Over 3 years				
1. Student debtors Ksh 99,630,412	99,630,412	18%	48,054,838	9%
2. Other debtors Ksh 0				
Total	532,027,022		305,792,792	

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17. Receivables from Non-Exchange transactions

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
GOK capitation grants; 3 rd Quarter	0.00	0.00
4 th Quarter 3268 students @ sh 4,000	0.00	13,072,000.00
Total current receivables	0.00	13,072,000.00

18. Inventories

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Central store Consumable stores	4,520,842.00	4,004,996
Health Units	174,663.00	9,945
House Keeping stores	48,310.00	78,910
Catering stores	15,050	28,960
Total inventories at the lower of cost and net realisable value	4,758,865.00	4,122,811

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19. Property, Plant and Equipment

	Land	Buildings	Motor Vehicles	Furniture and Fittings	Computers	Library	Plant and Equipment	Capital Work in progress	Total
Depreciation Rate	0	2%	25%	12.5%	33.3%	20%	12.5%	-	
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
As at 1 st July 2023	19,000,000	314,575,514	14,799,037	17,172,062	9,575,268	4,235,503	357,968,268	4,465,920	741,791,572
Additions during the period	14,702,780	-	-	-	2,496,175	272,723	-	4,388,258	2,185,936
As at 30th June 2024	33,702,780	314,575,514	14,799,037	17,172,062	12,071,443	4,508,226	357,968,268	8,854,178	763,651,508
Additions during the period	-	12,155,348	-	920,220	2,553,913	2,169,900	-	4,388,258	22,187,639
As at 30th June 2025	33,702,780	326,730,862	14,799,037	18,092,282	14,625,356	6,678,126	357,968,268	13,242,436	785,839,147
Depreciation									
As at 1st July 2024	-	16,356,783	8,223,312	4,245,157	7,668,710	2,835,486	186,743,202	-	226,072,650
Depreciation for the period	-	6,207,481	1,643,931	1,730,890	2,316,563	768,528	21,403,133	-	34,070,526
As At 30 th June 2025	-	22,564,264	9,867,243	5,976,047	9,985,273	3,604,014	208,146,335	-	260,143,176
Net book values									
AS at 30 th June 2024	33,702,780	298,218,731	6,575,725	12,926,905	4,402,733	1,672,740	171,225,066	8,854,178	528,724,680
As at 30 th June 2025	33,702,780	304,166,598	4,931,794	12,116,235	4,640,083	3,074,112	149,821,933	13,242,436	525,695,971

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Work in Progress

Construction of a Tuition blockKsh 4,225,172.00

Construction of Prefeb classroomsKsh 6,190,126.00

Construction of a store Ksh 2,827,138 .00

Total **Ksh 13,242,436.00**

The projects are complete and awaits hand over.

19 (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
	Kshs
Land	33,702,780
Buildings	326,730,862
Plant And Machinery	357,968,268
Motor Vehicles including Motorcycles	14,799,037
Computers and Related Equipment	14,625,356
Furniture and Fittings	18,092,282
Library Books	6,678,126
Total	772,596,711

20. Intangible Assets

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Cost		
At beginning of the year	6,658,994	6,358,994
Additions during the period	1,337,820	300,000
At end of the period	7,996,814	6,658,994
Additions–internal development		
At end of the period	7,996,814	6,658,994
Amortization and impairment		
At beginning of the year	5,126,905	4,362,009
Amortization during the period at 33.33%	956,540	764,896
At end of the period	6,083,445	5,126,905
Impairment loss during the period		
At end of the period		
NBV	1,913,369	1,532,089

21. Biological Assets

Cost	Year ended 30 th June 2025	Year ended 30 th June 2024
At the beginning of the period 1 st July 2024	1,693,270	675,000.00
Revaluations		-
Additions/New Acquisitions		1,055,000.00
Cost at end of 31 st December 2024		1,730,000
Less Death of 2 cows	(450,000)	
Sale of cattle		(36,730.00)
Net book value	1,243,270	1,693,270

22. Trade and Other Payables

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Trade payables	5,056,351	6,751,840
Total trade and other payables	5,056,351	6,751,840

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23. Refundable Deposits from Customers/Students

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Fees paid in advance		
Caution Money		699,622
Bal C/F	Sh 699,622	
Rep fund and caution	Sh 3,999+1500)	
	705,121	
Total deposits	705,121	699,622

24. Payments Received in Advance

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	KShs	KShs
Fees Prepayments	28,072,796.84	18,666,551
Total trade and other payables	28,072,796.84	18,666,551

5. 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)
OAG/WRO/SHAMBERERE/2023/20224	Lack of Land Ownership titles	The management has engaged the relevant stakeholders.	Not resolved.	30 th June 2026

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 the implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.

.....
Dr. Elisha Nyamu
The Shamberere National Polytechnic



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Appendix II: Projects Implemented by The Shamberere National Polytechnic

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1.Purchase of Land		TSNP	2 years	Ksh15m		yes
2.Construction of Ablution block		TSNP	1 years	Ksh 5m		yes
3.Construction of 4 classrooms and a staffroom		TSNP	2 years	Ksh 10m		yes

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Status of Projects completion

	Project	Total project Cost Ksh	Total expended to date Ksh	Completion % to date	Budget Ksh	Actual Ksh	Sources of funds
1	Purchase of Land	14,702,780	14,702,780	100%	15m	14,702,780	AIA
2	Construction of Ablution block	2,498,570	1,422,620	95%	5M	1,422,620	AIA
3	Construction of 4 classrooms and a staffroom(Tuition block)	7,986,190	7,986,190	100%	8M	7,986,190	AIA
4	Construction of Prefab classrooms	7,000,000	6,190,126	100%	7m	6,190,126	AIA

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity- Ministry of Education State Department of TVET

Name of beneficiary entity - The Shamberere National Polytechnic

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30th June (Current FY)

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks	
	5.10.2024	255,145		0	255,145	N/A
	5.10.2024	2,633,233		0	2,633,233	N/A
	5.10.2024	9,581,425			9,581,425	N/A
	27.9.2024	20,707,649		0	20,707,649	N/A
	30.9.2024	27,640,979		0	27,640,979	N/A
	8.10.2024	6,872,859		0	6,872,859	N/A
	8.10.2024	13,426,925		0	13,426,925	N/A
	14.02.2025	32,330,425		0	32,330,425	N/A
Total		113,448,640			113,448,640	

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

Head of Accounts Department - Disbursing Entity:

Sign Date

Head of Accounts Department - Beneficiary Entity:

CPA Josiah Egadwa
Name

Sign

Date.....

14/11/2025



Appendix IV: Reporting of Climate Relevant Expenditures

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

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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