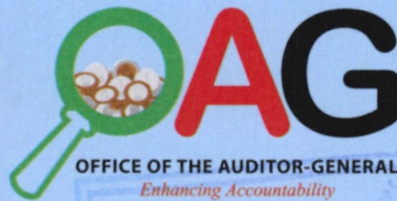


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability

THE NATIONAL ASSEMBLY  
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REPORT

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THE AUDITOR-GENERAL

ON

NYAMIRA NATIONAL POLYTECHNIC

FOR THE YEAR ENDED  
30 JUNE, 2025





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**THE NYAMIRA NATIONAL POLYTECHNIC**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2025**

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

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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

BOC	Board of Council
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
TNNP	The Nyamira National Polytechnic
NSSF	National Social Security Fund
PAYE	Pay As You Earn
NITA	National Industrial Training Authority
HELB	Higher Educational Loans Board
SHA	Social Health Authority
KRA	Kenya Revenue Authority
BETA	Bottom-up Economic Transformation Agenda
KPIs	Key Performance Indicators
OSHA	Occupational Safety and Health Administration
VAT	Value Add Tax
QAI	Qualification Awarding Institution
RPL	Recognition of Prior Learning
PWD	Persons With Disabilities
MTPs	Medium-Term Plans

**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 INSTITUTE'S INFORMATION AND MANAGEMENT**

### **a) Background Information**

The Nyamira National Polytechnic Formerly known as Ekerubo Gietai Technical Training Institute was established through The Technical and Vocational Training Act of 2015. The institution's initial physical infrastructure were funded and built by the Government of Kenya between 2009 and 2014. The pioneer Principal was posted to the Institute in January 2015 and the first batch of trainees reported in February 2015. The Institution's first Board of Governors was inaugurated on 27<sup>th</sup> April 2015.

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

Nyamira National Polytechnic Order no. 2024 established Nyamira National Polytechnic(NNP) which is duly registered by the TVET Authority and licensed to offer training up to higher diploma level. It is mandated to collaborate with recognized universities for the conduct and award of degree programmes in technology. NNP is also a Qualification Awarding Institution (QAI) and is in the process of actualising this mandate. The Polytechnic will soon offer Recognition of Prior Learning (RPL) programs online with its expanded mandate.

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

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

### **b) Principal Activities**

The mandate of the Institute includes to:

Offer teaching/training in science and technology.

Offer innovative discovery, transmission and preservation of knowledge.

Carry research and entrepreneurial activities.

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

Foster the general welfare of staff, Students and the community

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

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

**The Nyamira National Polytechnic**  
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**i) Vision**

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

**ii) Mission**

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

**iii) Motto**

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

**iv) Core Values**

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

**Integrity** – Transparency, accountability and cost effectiveness

**Courtesy**- Respect for staff and diversity.

**Teamwork** – Partnership for collaboration, advantage and synergies.

**Competence** – Impact, performance and science orientation

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

**Confidentiality**- embraces the principle of confidentiality in service delivery.

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

**c) Key Management**

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

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

**The Nyamira National Polytechnic  
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**d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	Mr. James Kinara
2.	Deputy Principal- Administration	Mr. Wesley Koech
3.	Deputy Principal- Academics	Dr. Thomas Bosire
4.	Registrar	Mr. Brian Bororio
5.	Dean of Students	Mrs. Mary Nyamori
6.	Finance Officer	CPA. Mouti Rebecca

**e) Fiduciary Oversight Arrangements**

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

Name of The Committee	Members	Designation
Finance Legal and Planning (FLP)	Mr. Tom Macakiage Mr. Joseph Owuor Otieno Eng. John Kamar Dr. John Osoro	Chairperson Member Member Member
Administration Research and Training Committee (ART)	Ms. Ruth Moraa Mr. Kennedy Mogeni Dr. Tabitha Nasieku Dr, John Osoro	Chairperson Member Member Member
Audit and Risk Management (ARM)	Dr. Tabitha Nasieku Mr. Kennedy Mogeni Ms. Ruth Moraa Dr, John Osoro	Chairperson Member Member Member

**f) Institute's Headquarters**

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

**g) Institute's Contacts**

Telephone :( 254) 794 519 220  
E-mail: [info@nyamirapoly.ac.ke](mailto:info@nyamirapoly.ac.ke)  
Website: [www.nyamirapoly.ac.ke](http://www.nyamirapoly.ac.ke)

**h) Institute's Bankers**

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

**i) Independent Auditors**


Auditor-General  
Office of the Auditor-General  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 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 BOARD OF GOVERNORS

No.	Member	Details
	 <p data-bbox="480 1025 667 1059">Dr. Bob Ndubi</p>	<p data-bbox="917 488 1177 521"><b>Date of Birth: 1974</b></p> <p data-bbox="917 521 1380 920">Holds PhD ( Finance) MBA ( Finance) and Bachelor’s degree in Education. and has previously served as Business Development Manager (Kenya Railways), Managing Partner (Kilele Consulting), Lead Consultant (Kilele Consulting) and Research Executive (Research International East Africa Ltd.). He is currently MD Silver House Capital</p> <p data-bbox="917 920 1380 1227">Dr. Ndubi has extensive Board experience having served as a trustee (Kenya Railways), Board member, Kenya Red Cross Nairobi Branch; Chairman of the Board, Westlands Cooperatives Alliance and Chairman of the Board, Chache Tumaini SACCO. He is the current Board chairman.</p>
	 <p data-bbox="432 1753 691 1794">Mr. Tom Macakiage</p>	<p data-bbox="906 1272 1150 1305">Date of Birth: 1970</p> <p data-bbox="906 1305 1364 1671">Holds a first degree in Engineering and two post-graduate degrees: MBA and the other in Technology Entrepreneurship. He is a Certified Information Systems Manager (CISM), Certified Information Systems Auditor (CISA), Certified Novell Administrator and Certified Ethical Hacker and a Project Management Professional (PMP).</p> <p data-bbox="906 1671 1364 1944">Previously worked as Head of IT, CFC Stanbic Bank; IT Manager, Unilever East &amp; South Africa (ESA); IT Service Delivery Manager, Unilever ESA; IT Infrastructure &amp; Operations Manager, Unilever Kenya Ltd. MIS Manager &amp; Business Model</p>


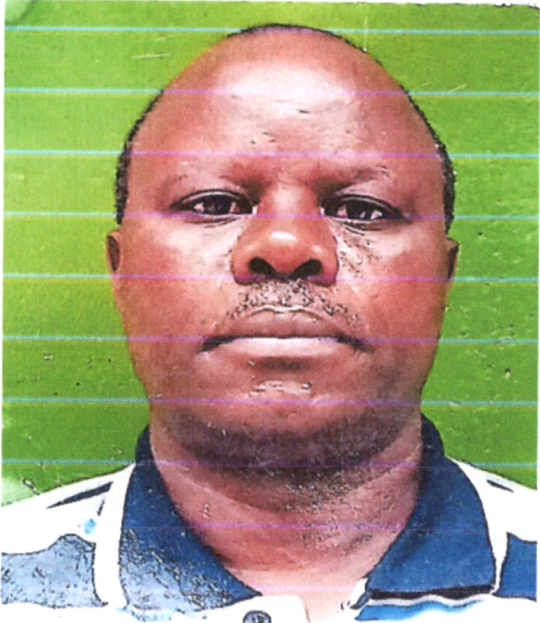
		<p>Analyst, Firestone E. A. (1969) Ltd. and Computer Instructor &amp; Programmer, KCITI &amp; Data Center Ltd. He serves as Country Director, Servetech Systems Ltd.</p> <p>Appointed to the Board in February in 2021 and was reappointed Chairman of the Board Committee on Finance, Resource Mobilization &amp; Project Management (FIRMPROM).</p>
	 <p>Mr. Joseph Owour Otieno</p>	<p><b>Date of Birth 1968</b></p> <p>Holds Masters in Research and Public Policy from University of Nairobi,          B.A (Arts) Criminology &amp; Criminal Justice from University of Nairobi,          B.A (Arts) Sociology and Public Administration from University of Nairobi.</p> <p>He has worked as Resource Mobilization Officer at the Council of Governors Delta Westland's Nairobi, County Liason Officer at the Migori County Government, Research Officer, Personal Assistant at the Ministry of state for Public service.</p> <p>Has been a member of the Board of Governor, Manyatta High School, St. Gorety Girls Dede and Siala Technical and Training Institute.</p> <p>Appointed to the Board in the month of August 2024, He serves as a member in the Finance Legal and Planning committee</p>

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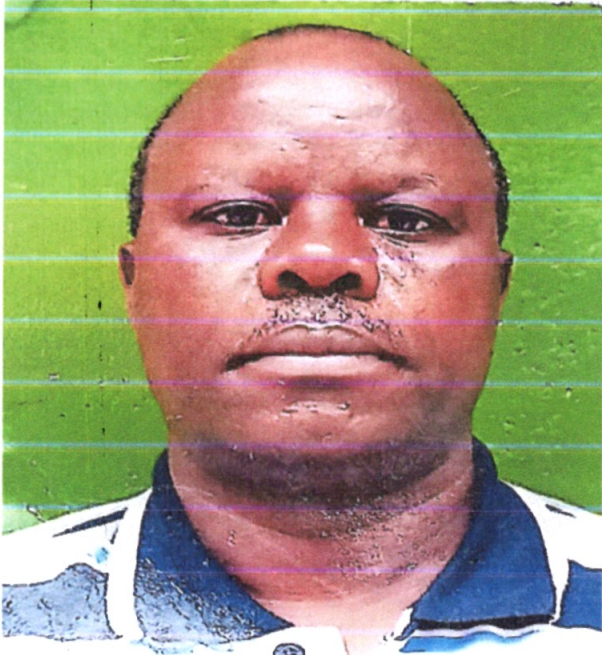

 <p>Eng. John Kamar Kibor</p>	<p><b>Date of Birth 1963</b>          Holds Bachelor of Science in Civil Engineering. Member of IEK graduate engineer.          Has worked as a Civil Engineer with 33years experience covering design, construction and commissions of oil and gas, housing and related faculties          Current place of work. IAM a private consultant working and advising on oil and gas investors, government agencies and consulting firms.          Appointed to the Board in the month of August 2024, He serves as a member in the Finance Legal and Planning committee</p>
 <p>Dr. Nasieku Tabitha Mereipei</p>	<p><b>Date of Birth 1974</b>          Holds PhD in Business Administration (Finance) from JKUAT, Masters of Business Administration (Accounts and finance) from University of Nairobi, Bachelor of Education (Economics and Business studies) from Kenyatta University.          Senior Lecturer JKUAT and Tutorial Fellow at the University of Maasai Mara University.          Appointed to the Board in the month of August 2024, He serves as a member in the Audit and Risk Management Committee</p>

	 <p>Ms. Ruth Moraa Ongera</p>	<p><b>Date of Birth 1980</b>                  Holds PhD in Human Resource Management from JKUAT, MSc Human Resource Management from JKUAT, Certified Human Resource Professional (CHRP) Higher Diploma in Human Resource, Bachelor of Education in Home Economics</p> <p>Has been a tutorial fellow in the Kiriri University, Human Resource and Administration Assistant (Intern). Part time tutor Cooperative university, Jomo Kenyatta University</p> <p>Is an associate member of Institute of Human Resource Management Member No: 01136 and Professional Trainers Association of Kenya. Member no: 1576</p> <p>Appointed to the Board in the month of August 2024, She serves as a Chairperson in the ART Committee</p>
	 <p>Mr. Mogeni Kennedy Bosire</p>	<p><b>Date of Birth 1963</b>                  Holds Bachelors of Education Arts from Kenyatta University                  He has worked as a trainer in the Kisumu National Polytechnic, HOD Liberal studies in Kisumu National Polytechnic                  He is the Managing Director Mogeni Tea Factory, Nyamira                  He has taught in Lions High School, Kisumu                  Appointed to the Board in the month of August 2024 serving as ART member</p>

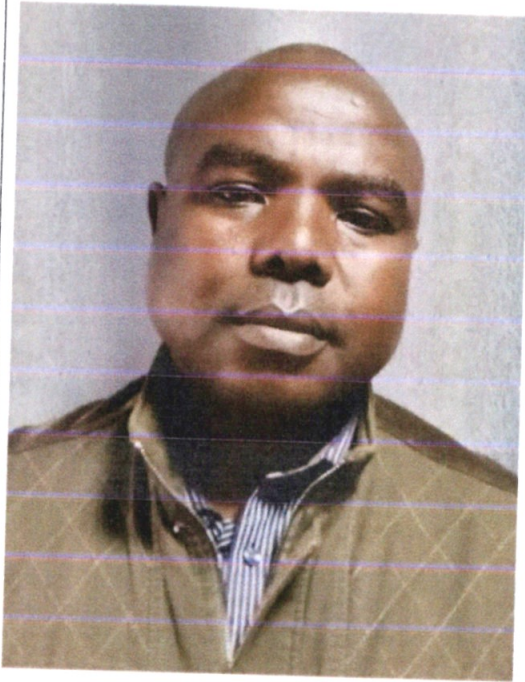
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 <p style="text-align: center;">Dr. John Osoro</p>	<p><b>Date of Birth 1968</b></p> <p>Dr. John Osoro is the County Director TVET (Kisii and Nyamira). He represents the Principal Secretary, State Department for Technical Vocational Education and Training in the Institute’s Board of Governors.</p>
 <p>Mr. James Basweti Kinara</p>	<p><b>Date of Birth 1967</b></p> <p>He joined the Polytechnic on 19/12/2024 as Principal. He holds a Master’s degree in Education from the University of Nairobi Bachelors of Education - Moi University. He has KEMI and SMC certificates, PhD JKUAT – Strategic Management (ongoing) He has over 35 years of experience in management He has worked as a principal in various secondary schools, Latest as TVET principal in Maasai Mara TVC He is the Institute’s Accounting Officer and Secretary to the Board of Governors</p>

4. MANAGEMENT BOARD

No.	Staff	Details
	 <p data-bbox="296 1189 628 1223">Mr. James Basweti Kinara</p>	<p data-bbox="924 468 1171 501"><b>Date of Birth 1967</b></p> <p data-bbox="924 539 1485 1003">He joined the Polytechnic on 19/12/2024 as Principal. He holds a Master's degree in Education from the University of Nairobi Bachelors of Education - Moi University. He has KEMI and SMC certificates, PhD JKUAT – Strategic Management (ongoing) He has over 35 years of experience in management He has worked as a principal in various secondary schools, Latest as TVET principal in Maasai Mara TVC He is the Institute's Accounting Officer and Secretary to the Board of Governors</p>
	 <p data-bbox="416 1771 756 1805">Mr. Wesley Koech Kiprono</p>	<p data-bbox="924 1296 1150 1330"><b>Date of Birth 1976</b></p> <p data-bbox="924 1364 1485 1720">He holds Bachelor of Education - Accounting and Economics from the University of Nairobi (UON). He joined the Institute in September 2023 as a Deputy Principal Administration. He has 15 years of experience in TVET. He has previously worked as D/ Registrar, HOD Business and PC coordinator at Mawego TTI He is in charge of administration affairs. Currently pursuing a Masters degree in Business Management( Strategic Management) at Kenyatta University</p>

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Dr. Thomas Bosire

**Date of Birth 1967**

He joined The Nyamira National Polytechnic in the month of August 2024 deputy Principal- Academics

He holds PhD in Technical Education Automotive Technology option from the university of Eldoret, Masters of Education in Technology from Moi University and Bachelors of Science in Technology with education from the University of East Africa Baraton (UEAB)


He has 22 years of experience in TVET working as a trainer in the Eldoret National Polytechnic he is registered with The Institute of Engineering Technologists and Technicians of Kenya (Reg No. 177) He is in charge of academic's affairs




Ms. Mary Osindi

**Date of Birth 1969**

Mary Osindi holds Masters degree in Business Administration from Egerton University; she also has a diploma in HRM from Kenya Institute of Management (KIM) and has worked as a lecturer in Kisii University for 5 years. Currently she is the Dean of Students.

	 <p>Mr. Brian Bororio</p>	<p><b>Date of Birth 1996</b></p> <p>He holds Bachelor's Degree - Business and Information Technology from the Multimedia University (MMU). He has 5 years of experience in TVET. He has previously worked as D/ Registrar, HOD ICT and D-IQA at Kilifi North TVC He is in charge of the Registry. Currently pursuing a Master's degree in Data analytics (Strategic Management) at Maseno University</p>
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	 <p>CPA Mouti Rebecca Kerubo</p>	<p><b>Date of birth 1986</b></p> <p>CPA Mouti Holds a Masters of Science in Finance and Economics – KCA University she also has Bachelor’s Degree in Commerce - Finance option from the same University She is an accountant by profession registered with The Institute of Certified Public Accountants of Kenya (ICPAK) Membership number <b>28086</b> She has 16 years of experience in the Finance field; she has worked as a Secondary School Bursar for 7 years at Matongo Boys High School. Currently she is the Institute’s Finance Officer since May, 2017. She is in charge of Finance function.</p>
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## **5. Chairman's Statement**

On behalf of the Governing Council (GC), The Nyamira National Polytechnic, I am greatly honoured to make this statement regarding governance and performance of the Polytechnic. The Council which I chair was re appointed on 17<sup>th</sup> July 2025 and inaugurated on 22<sup>nd</sup> August 2025.

During the year under review, the institution made notable progress in infrastructure development despite financial and operational challenges. Key milestones achieved include the near-completion of the Food and Beverage Workshop, which currently stands at 90% completion, and the commencement of works on the new hostel block, a critical investment aimed at improving student welfare and accommodation. In addition, the Electrical Engineering Workshop underwent a significant revamp to enhance the quality of training and align with industry needs. Furthermore, the institution successfully revamped the toilet ablution block and the parking area, providing a cleaner and more user-friendly environment for both staff and students.

However, despite these commendable strides, the institution continues to face critical challenges. The long-stalled library project remains incomplete and stands out as a glaring gap in our academic infrastructure. The library is a critical learning resource whose absence remains a glaring gap with adverse effects on the delivery of training programs. I wish to urge the Government, through the Ministry of Education to review the funding model for faster completion of the project.

Inadequate funding has remained a persistent challenge, impacting the pace of ongoing projects, particularly the timely completion of the hostel and other priority initiatives

I would however hasten to appreciate the Government, staff, students, and other stakeholders for the immense support accorded to The Polytechnic. Sincere thanks go to the Higher Education Loans Board (HELB) and Kenya Universities and Colleges Central Placement Services (KUCCPS) for the critical roles they play in ensuring trainees access training programs at The Polytechnic.

Looking ahead, the Board remains committed to working closely with all stakeholders to address these challenges, mobilize additional resources, and ensure that the institution continues to expand and improve its infrastructure in line with its vision of delivering quality training. We are confident that with sustained support from Government, partners, and stakeholders, we shall overcome these constraints and continue to deliver on our mandate.

On behalf of the Governing Council, I wish to sincerely thank the Principal, management, staff, students, and development partners for their dedication and resilience in the face of challenges. Together, we shall continue to position this institution as a centre of excellence for technical and vocational training. I wish to reiterate our commitment to the provision of steady and consistent oversight and policy guidelines to ensure management provides prudent, effective and efficient services. The Board has the right array of qualifications, skills and experience to deliver on this role.

  
Mr. Bob Ndubi

**Chairman Governing Council (Nyamira NP)**

**The Nyamira National Polytechnic**  
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**6. Report of the Chief Principal**

I am pleased to present the annual report and financial statements for the year ended 30<sup>th</sup> June 2025 whose contents are outlined in this document. The most challenging experience was the reduction in capitation funds remitted to The Polytechnic by the parent Ministry which saw The Polytechnic receive Ksh.17,100 instead of Ksh.30,000 per student. This had a devastating impact on the effective implementation of The Polytechnic's budget with several planned activities being shelved.

The Nyamira National Polytechnic (TNNP) started the year with cash and cash equivalents of **Kshs. 2,147,980** and received **Kshs.33,872,975** from the Government of Kenya as capitation income. The Polytechnic also collected tuition fees and other charges amounting to **Kshs.64,073,633** In total, therefore, The Polytechnic had **Kshs.97,946,608** at its disposal for operations.

The Polytechnic spent **Kshs.98,135,846** during the year, which included employee costs of Kshs.20,624,799 representing 21% of the total income. The Polytechnic spent Kshs. 41,513,994 on goods and services, Kshs. 11,359,496 on general expenses, Kshs. 2,915,709 on repairs and maintenance, and Kshs.3,195,600 on the BOG expenses. In addition, there was depreciation expense of Kshs.18,445,407

The Polytechnic targeted to raise income of Ksh. 195,701,038 during the financial year 2024/2025. However, this target was not met mainly because of non-remittance of 25% of capitation funds by the parent Ministry. The Polytechnic received Ksh.4,100 for the 1<sup>st</sup> quarter, Ksh.13000 for the 2<sup>nd</sup> quarter per student. No capitation was received for the 3<sup>rd</sup> and 4<sup>th</sup> quarter.

The Polytechnic's enrolment has risen steadily reaching 3513 during the year under review. The increase in population has exerted pressure on the limited training facilities including lecture rooms, workshops, and laboratories. The government funded library project coming up at a revised contract sum of cost of Kshs. 59,891,337 remains incomplete with Kshs. 30,882,038 yet to be received. In the year under review, the Institute did not receive any monies for the project which is funded through quarterly development grants. My earnest appeal is for more support from the government to enable the Polytechnic to develop more training facilities and in particular for the completion of the library project.

The Polytechnic participated in various sports activities during the year

The Polytechnic initiated some activities targeted at climate change mitigation including setting up of several tree seedling nurseries and growing of 7,000 trees in The Polytechnic compound. As a form of corporate social responsibility, The Polytechnic provided two watering points for the public to obtain tap water free of charge. This helped the neighbouring community especially during the dry season when drinking water was scarce.

Finally, I wish to express sincere gratitude to the Government of Kenya, the Governing Council, staff, students, and all stakeholders for supporting The Polytechnic.

Thank you.



**James B. Kinara**  
**Chief principal**  
**The Nyamira National Polytechnic**

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

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

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

The Nyamira National Polytechnic has 8 strategic themes and objectives within the current Strategic Plan for the FY 2024 - FY 2025. These strategic pillars are as follows:

- Theme 1: Infrastructure development
- Theme 2: Academic performance
- Theme 3: ICT Integration
- Theme 4: Linkages, partnerships and collaboration
- Theme 5: Research, Science and Technological Development
- Theme 6: Environmental Management
- Theme 7: Governance
- Theme 8: Strengthen accounting system

The Institute develops its annual work plans based on the above 8 themes. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Institute achieved its performance targets set for the FY 2024/2025 period for its 8 strategic pillars, as indicated in the diagram below:

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

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Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 3	ICT Integration	To develop and integrate ICT in teaching, learning, research and management	Arch CAD and auto Cad software, Screens, Digital content, Wireless internet, and Laptops procured.	Procure hardware & software Procure internet connectivity Procure LMS	Procured 13 computers, internet connectivity & Learning Management System (LMS)
Pillar / theme / issue 4	Linkages, partnerships and collaboration	To establish the Institute's resource base and develop linkages with national and international institutions and organizations	MOUs with the universities will be ready to accept.	MOUs in place	Initiated partnership with 20 tea factories in Nyamira, Kisii, Bomet and Kericho County and Riatirimba TVC.
Pillar / theme / issue 5	Research, Science and Technological Development	To undertake research, disseminate findings and develop innovations	Students and staff exhibit and present in KATTI, TVET Science and Technology fair.	Participation in TVET Fairs	Developed innovations and participated in the Regional TVET Fair hosted by Matili TTI.
Pillar / theme / issue 6	Environmental Management	Addressing climate change and promote environmental sustainability	500 trees planted Improved vegetation cover and landscape.	Planting trees	Planted 2000 trees in partnership with County Environment office
Pillar / theme / issue 7	Governance	Increasing efficiency and effectiveness of Institute management	Governance structures in place	Appointment of BOG Meetings	Held Board meetings as scheduled Operationalized 3 policies

**The Nyamira National Polytechnic**

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

<b>Strategic Pillar</b>		<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Pillar / theme / issue 8	Strengthen Accounting Systems	To establish and strengthen financial and accounting systems	Professionally acceptable reports	Procurement of ERP	Procured and operationalized ERP

The Board of the Institute signed a performance contract with the Ministry of Education for the year 2024 / 2025 as has been the practice featuring targets derived from the strategic objectives as outlined in this report. Though the aftermath of the covid-19 pandemic affected effective implementation of some targets, the Institute has demonstrated commendable resilience which should reassure stakeholders of its capability to remain sustainable going forward.

## **8. Corporate Governance Statement**

### **i) Introduction**

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

### **ii) Board charter**

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

The separation of the roles, functions, responsibilities and powers of the board and its individual members.

Powers delegated to the board committees.

Matters reserved for final decision-making and approval by the board.

Policies and practices of the board on matters of corporate governance, directors' declarations and conflict of interest, conduct of board and board committee meetings.

Nomination, appointment, induction, ongoing training and performance evaluation of the board and its committees.

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

### **iii) Appointment, Inauguration and Induction**

The process of appointment of the Board as provided for in the relevant statute begins with nomination of potential members. The committee responsible for this exercise is composed of the Director TVET, the County Commissioner, the area Member of Parliament and the Principal of the Institute. This committee met and submitted a list of nominees to the Cabinet Secretary in charge of Education who appointed and issued letters of appointment to 7 successful members. However two members were reappointed. The Board was subsequently inaugurated on 22<sup>nd</sup> August 2024 followed by induction which was successfully undertaken in the month of November 2024. Board members serve for a maximum of 2 terms of 3 years each.

The process of appointment is stipulated in the TVET Act 2013 and takes into account the involvement of the community who are represented by the member of Parliament for purposes of inclusivity. Board members undergo an induction and are given an overview of the Institute, new developments in the environment in which the Institute operates, accounting and financial reporting developments, as well as any regulatory changes. Members are also taken through their roles and responsibilities.

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

**The Nyamira National Polytechnic  
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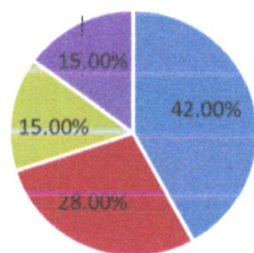
**iv) Board Size, Composition and Diversity**

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

**v) Board Diversity (Independent Members)**

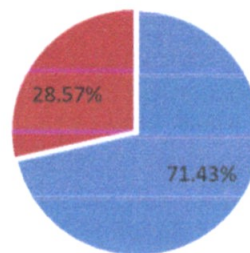
S/No.	NAME	HOME COUNTY	PROFESSIONAL BACKGROUND	GENDER
1.	Bob Ndubi	Nyamira	Finance	Male
2.	Nasieku Thabita	Kajiado	Finance	Female
3.	Ruth Moraa	Kisii	H.R. Management	Female
4.	Kennedy Mogeni	Nyamira	Education	Male
5.	John Kamar	Elgeyo Marakwet	Engineering	Male
6.	Tom Macakiage	Migori	ICT	Male
7.	Joseph Owour	Migori	Research and public policy	Male

**ETHNICITY**



■ KISII ■ LUO ■ KALENJIN ■ MAASAI ■

**GENDER REPRESENTATION**



■ MALE ■ FEMALE ■

**The Nyamira National Polytechnic  
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**vi) The Role and Responsibilities of the Board**

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

**vii) Board Committees**

<b>Name of The Committee</b>	<b>Members</b>	<b>Designation</b>
Finance Legal and Planning (FLP)	Mr. Tom Macakiage Mr. Joseph Owuor Otieno Eng. John Kamar Dr. John Osoro	Chairperson Member Member Member
Administration Research and Training Committee (ART)	Ms. Ruth Moraa Mr. Kennedy Mogeni Dr. Tabitha Nasieku Dr, John Osoro	Chairperson Member Member Member
Audit and Risk Management (ARM)	Dr. Tabitha Nasieku Mr. Kennedy Mogeni Ms. Ruth Moraa Dr, John Osoro	Chairperson Member Member Member

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

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**viii) Board Meetings and attendance for 2024/2025**

NAME	DESIGNATION	MEETING DATES					
		22/08/24	27/09/24	05/05/25			
Bob Ndubi	Chairman (Board)	✓	✓	✓			
Tom Macakiage	Member (Board)	✓	✓	✓			
Thabita Nasieku	Member (Board)	✓	✓	✓			
Kennedy Mogeni	Member (Reappointed)	✓	✓	✓			
Ruth Moraa	Member (Reappointed)	✓	✓	✓			
John Kamar	Member (Reappointed)	✓	✓	✓			
Mary Maina	N.T. Representative	✓	✓	✓			
Dr. John Osoro	P.S. Representative		✓		✓		
Andama Geoffrey	Secretary Outgoing	✓	✓	-			
James Basweti	Secretary incoming	-	-	✓			

**The Nyamira National Polytechnic  
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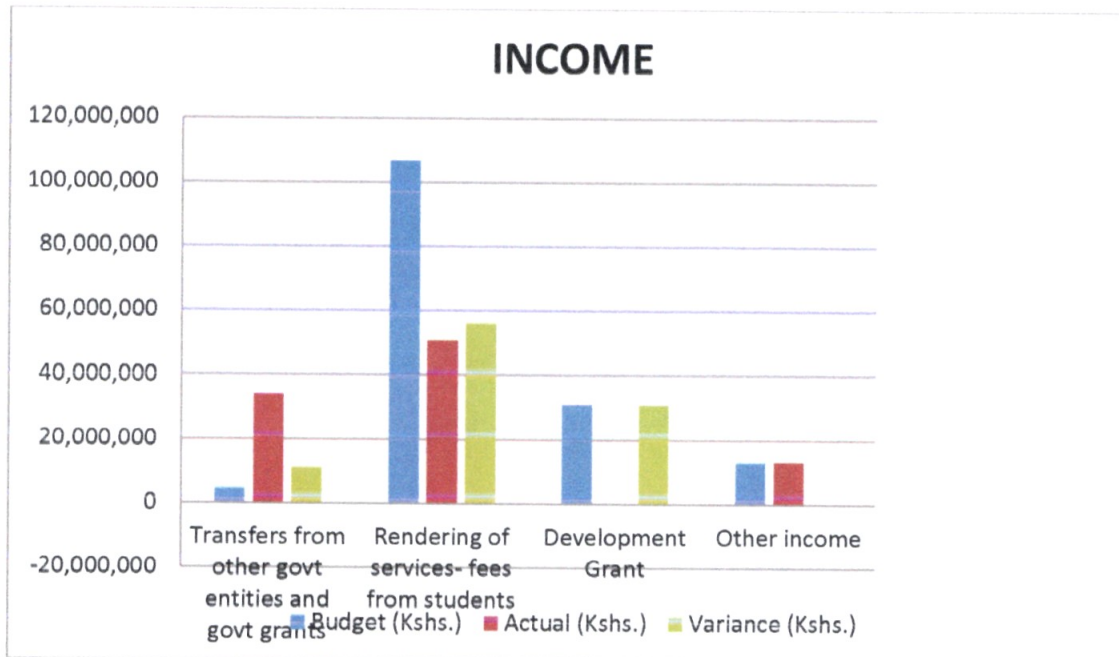
**9. Management Discussion and Analysis**

**i) Operational and Financial Performance of the Institute**

During the year, the Institute’s student enrolment has continued to rise steadily reaching 3,500 during the year under review. The increase in population has exerted immense pressure on the limited training facilities including lecture rooms, workshops, and laboratories. The government funded library project coming up at a cost of Kshs. 59,891,337 remains incomplete with Kshs. 30,882,038 yet to be received. In the year under review, the Institute did not receive any monies for the project which is funded through quarterly development grants.

During the year, the Institute had a revenue budget of Kshs. 195,701,038 and total receipts of Kshs. 97,946,608, resulting in a revenue shortfall of Kshs 97,754,430 as depicted in the table and chart below:

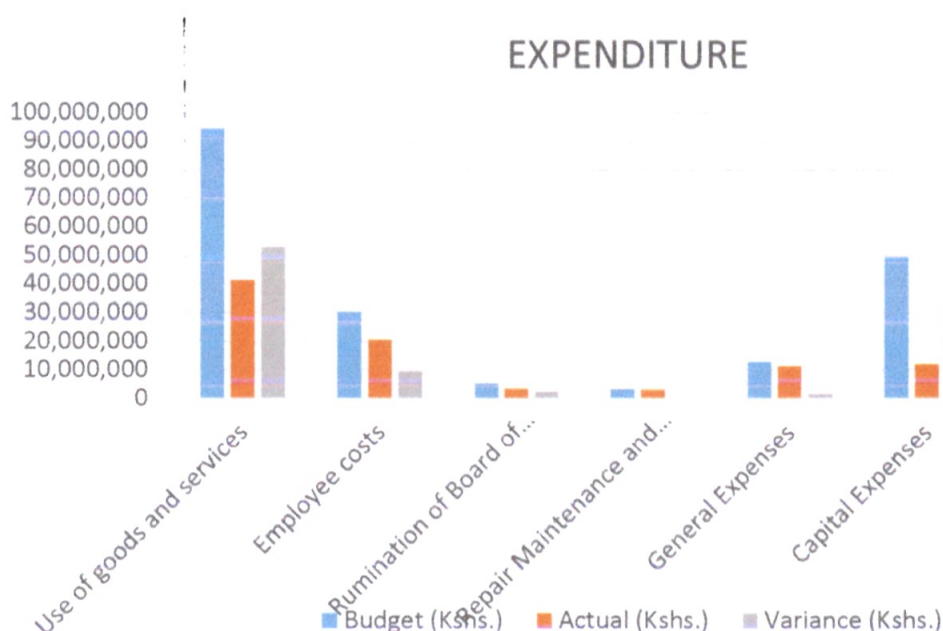
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other govt entities and govt grants	45,000,000		45,000,000	33,872,975	11,127,025	75%
Rendering of services- fees from students	106,819,000		106,819,000	50,773,547	56,045,453	48%
Development Grant	30,882,038		30,882,038	0	30,882,038	0%
Other income	13,000,000		13,000,000	13,300,086	-300,086	102%
<b>Total Income</b>	<b>195,701,038</b>		<b>195,701,038</b>	<b>97,946,608</b>	<b>97,754,430</b>	<b>50%</b>



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Similarly, the Institute had payments budget of Kshs. 195,701,038 and total payments of Kshs. 91,597,713, resulting in under expenditure of Kshs. 6,348.895.00 as depicted in the table and chart below:

Expenses					
Employee costs	30,088,588	30,088,588	20,624,799	9,463,789	69%
Use of goods and services	94,418,412	94,418,412	41,513,994	52,904,418	44%
General expenses	13,000,000	13,000,000	11,359,496	1,640,504	87%
Board expenses	5,512,000	5,512,000	3,195,600	2,316,400	58%
Development expenses	49,382,038	49,382,038	11,988,115	37,393,923	24%
Repairs and maintenance	3,300,000	3,300,000	2,915,709	384,291	88%
<b>Total Expenditure</b>	<b>195,701,038</b>	<b>195,701,038</b>	<b>91,597,713</b>	<b>104,103,325</b>	<b>47%</b>
<b>Surplus For the Period</b>	<b>0</b>		<b>6,348,895</b>		
<b>Capital Expenditure</b>					



**ii) Polytechnics's Key Projects**

**i) Modern Car Park.**

This is a spacious and sturdy structure that is ongoing. It has a holding capacity of more than ten cars and includes a dedicated section for people with disability. The polytechnic prides itself in being a multicultural, diverse and inclusive learning institute and the car park is an embodiment of that obligation to the trainees, trainers and all other staff members.



The Chief Principal Mr. Kinara inspecting the car park accompanied by Dr. Thomas Bosire (Deputy Principal in charge of Academics) and Mr. Wesley Koech (Deputy Principal – Administration)

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**ii) Hospitality and Institutional Management Block**

Where once used to be only the polytechnic canteen and a few offices, a whole new block is now taking shape. The Hospitality and Institutional Management block is located near the main entrance of the school and it is an extension of the boardroom and clinic.

This multipurpose building is divided into three sections; the Food & Beverage wing which will house the kitchen, dining area; the catering and accommodation wing which will house the catering classes and guest rooms and the management wing which will mostly be comprised of offices and the boardroom.

The hospitality section is a flagship project of the new administration under the new manager and is a vital addition to the school. The modern kitchen will provide safe and quality meals to all staff and trainees and a spacious dining area which can accommodate at least 200 people. The additional rooms will provide a comfortable accommodation place for guests of the school and any other interested parties.



**iii) Additional Washrooms**

The new additional ablution block will ensure that the growing population of Nyamira National Polytechnic is well taken care of. It consists of clean toilets and washrooms with readily available water.



**iv Institute library**



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**iii) Institute's Compliance with Statutory Requirements**

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

**iv) Major Risks Facing the Institute**

No.	Risk	Risk Cause	Risk Level	Control/Action required
1	Fees arrears	Failure to collect fees	Moderate Risk	Fees paid system to be developed, recovery procedures to be implemented
2	Loss of data	Fire	High Risk	Fire drills carried out, procure fireproof cabinets, regular servicing of fire extinguishers, Insurance cover
3	Terror attack	Unauthorized access	High Risk	Have designated entry and exit gates, CCTC Severance, adequate guards
4	Inadequate reference materials	Few titles purchased	High Risk	To purchase more titles, provision of online learning materials
5	Low enrolment of students	Inadequate marketing	Moderate Risk	Extensive marketing
		Negative attitude to the course		Provision of variety of market tailored courses
6	Accidents	Poor workshop management skills by staff and students	High Risk	Training both staff and students
				Induction of new students and staff
				Formulation of workshop/laboratories rules and regulations
7	Underutilized machines	Lack of skilled personnel	High Risk	Recruit skilled personnel Upskill personnel
8	Ineffective teaching	Lack of teaching materials	High Risk	Improve teaching/ learning resources
9	Hardware failure	Computers not properly maintained	High	Maintain computers
10	Data loss	Viruses	High	Install anti-viruses; offsite data back-up

**v) Material Arrears in Statutory and other Financial Obligations**

The Institute reported **Ksh. 8,519,776.00** pending bills as at 30<sup>th</sup> June, 2025.

**10. Environmental and Sustainability Reporting Statement**

The Nyamira National Polytechnic recognizes sustainability as a foundation of education, training, and service delivery. This report reflects the Polytechnic’s commitment to aligning its policies, strategies, and operations with global, regional, and national sustainability frameworks. These include the United Nations Sustainable Development Goals (Agenda 2030), the African Union Agenda 2063, the Kenya Vision 2030, the Constitution of Kenya 2010, the Bottom-Up Economic Transformation Agenda (BETA), and the Medium-Term Plans (MTPs).

The Polytechnic acknowledges global and macroeconomic challenges such as climate change, youth unemployment, technological disruption, biodiversity loss, inflationary pressures and geopolitical dynamics which directly shape institutional sustainability priorities. In response, the Nyamira National Polytechnic has embraced a sustainability strategy that emphasizes green practices, inclusive development, responsible governance, and innovation-driven training.

During the reporting period, the institution registered notable achievements, particularly in environmental management, staff welfare, and marketplace practices. However, resource limitations, infrastructure gaps, climate-induced risks and geopolitical dynamics posed significant challenges.

The Nyamira National Polytechnic is guided by a Service Delivery Charter, which provides a framework for accountability, fair competition, and responsiveness in public service. Further, the institution has mainstreamed the participation of special groups (Youth, Women, and Persons with Disabilities – PWDs) in procurement and service delivery.

Table 1: Key Achievements, Challenges, and Mitigation Measures

Area	Achievements	Challenges	Mitigation Measures
Environmental Management	Tree planting campaigns; installation of solar lights; waste segregation bins	Limited resources for full green tech rollout	Partner with NGOs, expand renewable projects
		Limited resources to train a critical mass of champions	Collaboration with development

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	Training of Greening Champions		partners to support training initiatives
Employee Welfare	Staff training workshops; performance appraisal; OSHA compliance	Limited budget for continuous training	Seek capacity-building grants & partnerships
Marketplace Practices	Open tendering; cashless payments; anti-corruption reporting	Delays in supplier payments	Strengthen financial management systems
CSR and Community Engagement	Scholarships, bursaries, career guidance to local youth	Demand for more community support than budget allows	Leverage alumni & private sector partnerships

## 2. Environmental Performance

The Nyamira National Polytechnic has adopted an Environmental Policy that prioritizes conservation, efficient resource utilization, and reduced ecological impact.

Successes include:

- Waste Management: Adoption of “reduce, reuse, recycle” principles, with the introduction of waste segregation bins and reduced use of single-use plastics.
- Energy Conservation: Installation and improvement of solar-powered lighting infrastructure and use of natural lighting and ventilation in classrooms.
- Transport Management: Routine maintenance of institutional vehicle to lower CO<sub>2</sub> emissions.
- Green Infrastructure: Incorporation of eco-friendly designs in new construction, with future plans for enhancing rainwater harvesting systems.

Climate Change Mitigation and Adaptation:

The Nyamira National Polytechnic has undertaken tree planting programs, and enhanced training on integration of climate-smart practices. The Institution is actively engaged in captivating greening of mindset through establishment of greening club spearheaded by greening champions.

Challenges: Limited budget to scale green technologies and activities to benefit both the institution and the community.

Mitigation and adaptation: Limited partnership with environmental organizations and development partners to co-finance Greening, climate-smart initiatives and projects.

### **3. Employee Welfare**

The Nyamira National Polytechnic values its employees as critical drivers of sustainability. Its Human Resource Policy emphasizes inclusivity and compliance with labor and safety regulations.

- Diversity and Inclusion: Recruitment considers gender balance, youth, and PWDs in line with government policies.
- Capacity Development: Continuous professional development programs, workshops, and career mentorship.
- Performance Management: A structured appraisal and reward system fosters innovation and excellence.
- Workplace Safety: Full compliance with the Occupational Safety and Health Act (OSHA) 2007, with periodic drills, safety audits, provision of protective equipment and continuous operation of the Polytechnic Clinic.

Review of Work-Related Injuries: The Polytechnic recorded minimal injuries during the period, with corrective action taken to minimize recurrence.

### **4. Marketplace Practices**

#### a) Responsible Competition Practices

The Nyamira National Polytechnic upholds transparency, accountability, and integrity in all its dealings. This includes:

- Open tendering processes for procurement.
- Cashless transactions to reduce risks of fraud.
- Anti-Corruption Reporting mechanisms for whistleblowers.
- Service Charter outlining timelines and responsibilities.

#### b) Responsible Supply Chain and Supplier Relations

The Nyamira National Polytechnic ensures inclusivity and fairness in supplier relations by:

- Allocating contracts to Youth, Women, and PWDs.
- Ensuring timely honoring of contracts and respect for suppliers.
- Providing equal opportunities through competitive procurement.

#### c) Responsible Engagement with Citizens

The Nyamira National Polytechnic engages with stakeholders through:

- Public sensitization forums on academic programs and government-sponsored opportunities.
- Digital communication platforms including social media and the website.
- Stakeholder consultations in planning and development projects.

#### d) Product Stewardship / Awareness Creation

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

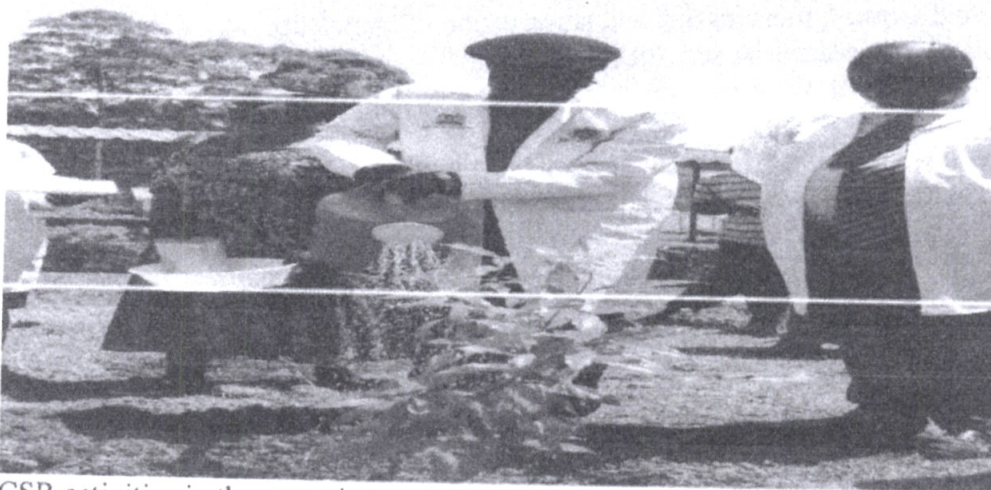
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The Nyamira National Polytechnic protects consumer and citizen interests through:

- Providing accurate course information and service details.
- Ensuring student data and privacy protection in all platforms.
- Establishing feedback and grievance mechanisms to ensure redress.

### **5. Corporate Social Responsibility (CSR) and Community Engagements**

The Nyamira National Polytechnic has consistently engaged in CSR and community outreach activities within its mandate.



CSR activities in the reporting period included:

- Environmental Stewardship: Tree planting initiatives in partnership with schools and local communities
- Provision of piped water to neighboring public institutions.
- Educational Support: Provision of scholarships and bursaries to vulnerable students.
- Community Training: Free technical skills training and career guidance to local youth.
- Public Participation: Engagement with communities in infrastructure planning, development and budget-making processes.
- Social Partnerships: Collaboration with community leaders and farmers' groups to support climate-smart agriculture and agroforestry.

Impact: These initiatives have fostered positive community relations, improved access to education, enhanced climate resilience, and built trust between the Polytechnic and its stakeholders.

### **6. Conclusion**

The Nyamira National Polytechnic reaffirms its commitment to sustainability through environmental stewardship, employee welfare, ethical marketplace practices, and community engagement. By aligning institutional goals with the SDGs, Agenda 2063, Kenya's Vision 2030 and constitution of Kenya 2010, the Polytechnic seeks to model sustainable technical and vocational education.

## **11. Report of the Council of Governors**

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 The Nyamira National Polytechnic 's affairs.

### **Principal activities**

The principal activities of the entity are :

- Offer teaching/training in science and technology.
- Offer innovative discovery, transmission and preservation of knowledge.
- Carry research and entrepreneurial activities.
- Participate in commercial ventures and activities that promote the objectives of the institution
- Foster the general welfare of staff. Students and the community
- Develop and provide educational, cultural, professional, technical and vocational services to the community and in particular foster corporate social responsibility
- Promote social – economic development in line with the county's development agenda

### **Results**

The results of the entity for the year ended June 30 are set out on page 1 to 54

### **Council of Governors**

The members of the Council who served during the year are shown on page vii. During the year, Mr Geoffrey Andama Chief principal was transferred to The Kenya Coast National Polytechnic and was replaced by Mr. James Basweti Kinara from Maasai Mara TVC

### **Auditors**

The Auditor General is responsible for the statutory audit of the Nyamira National polytechnic in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the Nyamira National Polytechnic for the period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....  
**James B. Kinara**  
**The Nyamira National Polytechnic**  
**Date: 27/08/2025**

## **12. Statement of Council's Responsibilities**

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

The Council members are responsible for the preparation and presentation of the Polytechnic's financial statements, which give a true and fair view of the state of affairs of the Polytechnic for and as at the end of the financial year ended on June 30, 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 entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the Polytechnic, (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 Polytechnic's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The council members are of the opinion that the Polytechnic's financial statements give a true and fair view of the state of Polytechnic's transactions during the financial year ended June 30, 2025, and of the Polytechnic's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the Polytechnic, which have been relied upon in the preparation of the Polytechnic's financial statements as well as the adequacy of the systems of internal financial control.

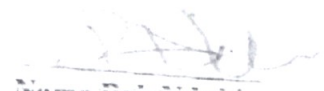
In preparing the financial statements, the Principal has assessed the Polytechnic's ability to continue as a going concern (disclose as applicable, matters relating to the use of going concern basis of preparation of the financial statements.) Nothing has come to the attention of the Council members to indicate that the entity will not remain a going concern for at least the next twelve months from the date of this statement.

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

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**Approval of the financial statements**

The *Polytechnic's* financial statements were approved by the Board on 27/08/2025 and signed on its behalf by:



**Name Bob Ndubi  
Chairperson of the Council**



**Name James B. Kinara  
Accounting Officer/Principal**

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NYAMIRA NATIONAL POLYTECHNIC FOR THE YEAR ENDED 30 JUNE, 2025**

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Nyamira National Polytechnic set out on pages 1 to 62, 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 Nyamira 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 Technical and Vocational Education Training Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracy of General Expenses**

The statement of financial performance reflects general expenses amounting to Kshs.11,359,496. The amount includes borrowing from Development Account amounting to Kshs.2,000,000. Review of records revealed the amount was borrowed from Development Vote to facilitate salary payment. Once the funds were refunded the transaction was posted in the general expenses resulting in double charging of the expenditure.

In the circumstances, the accuracy and completeness of general expenses amounting to Kshs.2,000,000 could not be confirmed.

#### **2. Inaccuracy of the Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment comparative balance of Kshs.490,546,197. However, the balance differs with the corresponding balance of Kshs.488,248,992 reflected in note 21 to the financial statements resulting in unexplained variance of Kshs.2,297,205.

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

#### **3. Long Outstanding Receivables from Exchange Transactions**

The statement of financial position and as disclosed in Note 18 to the financial statements reflects current portion of receivables from exchange transactions totalling Kshs.64,753,667 in respect of student debtors. The amount includes receivables totalling Kshs.47,791,616 or seventy -four percent (74%) of the receivables which had been outstanding for more than one year. However, no provision for doubtful debts had been made. Management has also not made any effort to recover the long outstanding receivables.

In the circumstances, the accuracy and completeness of current portion of receivables from exchange transactions totalling Kshs.64,753,667 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Nyamira 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.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final total receipts budget and actual on comparable basis amounting to Kshs.195,701,038 and Kshs.82,865,958 respectively resulting in underfunding of Kshs.112,835,080 or fifty-seven percent (57%) of the budget.

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

My Opinion is not modified in respect of this matter.

### **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 Audit Matters**

In the audit report of the previous year, sixteen (16) issues were raised under the Report on Financial Statements as shown in **Appendix I**. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

### **Other Information**

Management is responsible for the Other Information set out on page iv to xxxviii which comprise of Key Institutes Information and Management, the Board of Governors, Management Board, 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, Report of the Board of Governors, and statement of Board's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the National 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 effect of the matters 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**

#### **1. Non-Compliance with the Law on Ethnic Composition**

Review of human resources records provided revealed that the Nyamira National Polytechnic has a work force of fifty-one (51) staff out of whom forty-eight (48) or 94% are of the same ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 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.

#### **2. Delayed Completion of Library Block**

The statement of financial position reflects property, plant, and equipment totalling Kshs.482,290,604. The amount includes capital work in progress totalling Kshs.38,292,511 as disclosed in Note 21(b) to the financial statements. The work in progress relates to the construction and completion of the library block. Review of records revealed that the contract for construction and completion of the library block was awarded in 2015/2016 financial year at a contract sum of Kshs.48,919,382. The contract had a duration of thirty-six (36) weeks with an initial expected completion date of 14 April 2016. However, physical verification carried out in the month of November 2025 revealed that the library construction had stalled. The contractor was also not on site. The Management did not explain the efforts being made to complete and make available for use of this facility.

In the circumstances, value for money on the expenditure so far spent on the project was not achieved.

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.

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

### Conclusion

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

### Basis for Conclusion

#### 1. Ineffective Internal Audit Function

Review of the National Polytechnic's organization structure revealed an established Audit, Risk and Compliance Unit. However, the unit had only one (1) staff member. This was contrary to Regulation 162(2)(b) which requires the Accounting Officer to ensure that the organizational structure of the internal audit unit facilitates internal auditor with sufficient authority to promote independence and to ensure broad internal audit coverage, adequate consideration of audit reports.

Further, the Internal Audit Unit does not have an approved Internal Audit Charter. The work plan for the financial year 2024/2025 had also not been approved by the Accounting Officer. This was contrary to Regulation 170 of the Public Finance Management (National Governments) Regulations, 2015 states that Internal audit planning shall be carried out on the basis of risk assessment and shall be set out in a three-year strategic plan on the basis of which an annual internal audit activity plan shall be developed. The annual work plan shall be approved by the Audit Committee and shared with the Accounting Officer of that entity, in sufficient time for inclusion in the budget of that entity.

In the circumstances, the internal controls, risk management and governance may not be effective.

#### 2. Lack of ICT Governance Frameworks and Policies

Review of records revealed that the Polytechnic had not developed or provided several key ICT governance and operational documents necessary for effective management and control of ICT operations. Specifically, the following documents were not in place:

- ICT Policy
- Data Protection Policy
- Data Privacy Policy
- Standard Operating Procedures (SOPs)
- Risk Management Policy
- Disaster Recovery Policy (DRP)
- Business Continuity Policy (BCP)
- Change Management Policy

The absence of these policies and procedures indicates that the Polytechnic's ICT environment is not guided by formal frameworks that align with current technological, regulatory, and operational requirements. Consequently, this weakens governance structures and increases the risk of non-compliance with applicable data protection and cybersecurity standards.

In the circumstances, the ability of the Polytechnic to identify threats or risks and various strategies of minimizing their impact may be compromised.

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 Management and the Board of Governors**

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

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

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

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

The Board of Governors is responsible for overseeing the National 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 Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**15 December, 2025**

## Appendix I

### Unresolved Prior Year Audit Matters

Number	Financial Year	Issue
1	2023/2024	Inaccuracies of financial statements
2	2023/2024	Variance between financial statements and payroll amount
3	2023/2024	Long outstanding receivables from exchange transactions
4	2023/2024	Unconfirmed Property, Plant & Equipment
5	2023/2024	Delayed Completion of the Library Building
6	2023/2024	Trade and other payables from exchange transactions.
7	2023/2024	Budgetary Control and Performance
8	2023/2024	Unresolved prior year matters
9	2023/2024	Un-authorised Expenditure
10	2023/2024	Regularity of Human Resource Management
11	2023/2024	Lack of Value for Money
12	2023/2024	Non-Compliance with law on ethnic composition
13	2023/2024	Irregularities in Board Allowances
14	2023/2024	Inadequate Cash Management
15	2023/2024	Poor Internal Controls for the Inventory
16	2023/2024	Lack of Approved ICT Policies

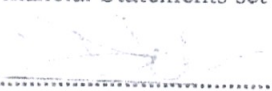
**The Nyamra National Polytechnic/Teacher Training College  
Annual Report and Financial Statements for the year ended 30th June 2025**

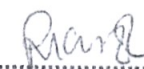
**14. Statement of Financial Performance for The Year Ended 30 June 2025**

	Notes	2024-2025 Kshs	2023-2024 Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from National Government Entities	6	00	27,563,809
Public Contributions and Donations			0
		<b>00</b>	<b>27,563,809</b>
<b>Revenue from Exchange transactions</b>			
Fees from students	7	84,646,522	60,526,216
Other income	8	13,300,086	9,562,880
<b>Revenue from Exchange transactions</b>		<b>97,946,608</b>	<b>70,089,096</b>
<b>Total Revenue</b>		<b>97,946,608</b>	<b>97,652,905</b>
<b>Expenses</b>			
Use of goods and services	9	41,513,994	49,303,737
Employee costs	10	20,624,799	27,172,816
Board Expenses	11	3,195,600	1,978,000
Depreciation and amortization expense	12	18,445,407	21,146,366
Repairs and maintenance	13	2,915,709	460,940
General expenses	14	11,359,496	7,014,928
Finance costs	15	80,841	65,959
<b>Total Expenses</b>		<b>98,135,846</b>	<b>107,142,746</b>
<b>Other Gains/(Losses)</b>			
<b>Total Other Gains/(Losses)</b>		<b>0</b>	<b>0</b>
<b>Net surplus/(deficit) for the year</b>		<b>(189,238)</b>	<b>-9,489,841</b>

(The notes set out on pages 21 to 37 form an integral part of the Annual Financial Statements).

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

  
Name: Bob Ndubi  
Chairman Board of Governors  
Date: 27/08/2025

  
Name: Rebecca Mouti  
Finance Officer  
ICPAK No.28086  
Date: 27/08/2025


  
Name: James Kinara  
Principal  
Date: 27/08/2025

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


15. Statement of Financial Position as at 30th June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	17	1,855,160	2,147,980
Current portion of receivables from exchange transactions	18	64,753,667	51,993,616
Receivables from non-exchange transactions	19	55,238,600	55,238,600
Inventories	20	2,477,541	4,706,661
Investments in financial assets		0	0
<b>Total Current Assets</b>		<b>124,324,968</b>	<b>114,086,857</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	21	482,290,604	490,546,197
Intangible assets	22	3,010,748	3,509,612
Investment property		0	0
Biological Assets	23	270,000	270,000
<b>Total Non-Current Assets</b>		<b>485,571,352</b>	<b>494,325,809</b>
<b>Total Assets (A)</b>		<b>609,898,320</b>	<b>608,412,666</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	24	8,519,776	6,844,884
<b>Total Current Liabilities</b>		<b>8,519,776</b>	<b>6,844,884</b>
<b>Non-Current Liabilities</b>			
<b>Total non-current liabilities</b>		<b>0.00</b>	<b>0.00</b>
<b>Total Liabilities (B)</b>		<b>8,519,776</b>	<b>6,844,884</b>
<b>Net Assets (A-B)</b>		<b>601,378,544</b>	<b>601,567,782</b>
<b>Represented By:</b>			
Revaluation Reserves			0
Accumulated Surplus		52,405,267	52,216,029
Capital Fund		549,351,753	549,351,753
<b>Total Net Assets</b>		<b>601,378,544</b>	<b>601,567,782</b>

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

  
Name: Bob Ndubi  
Chairman Board of Governors  
Date: 27/08/2025

  
Name: Rebecca Mouti  
Finance Officer  
ICPAK No.28086  
Date: 27/08/2025

  
Name: James Kinara  
Principal  
Date: 27/08/2025

The Nyamra National Polytechnic/Teacher Training College  
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16. Statement of Changes in Net Asset for The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2023 (previous year)</b>	-	61,705,870	549,351,753	611,057,623
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(9,489,841)	-	(9,489,841)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
<b>At June 30, 2024</b>	-	52,216,029	549,351,753	601,567,782
	-			
<b>At July 1, 2024(current year)</b>	-	52,216,029	549,351,753	601,567,782
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(189,238)	-	(189,238)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
<b>At June 30, 2025</b>	-	52,026,791	549,351,753	601,378,544

**The Nyamira National Polytechnic**  
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**17. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from National Government entities		33,872,975	27,563,809
Public contributions and donations			0
Fees from students		39,754,470	37,480,493
Sale of goods			0
Rental revenue from facilities and equipment			0
Finance income			0
Other income		9,238,513	9,562,880
<b>Total Receipts</b>		<b>82,865,958</b>	<b>74,607,182</b>
<b>Payments</b>			
Use of goods and services		39,949,190	42,458,853
Employee costs		18,282,622	26,184,475
Board Expenses		3,195,600	1,978,000
Repairs and maintenance		2,915,709	460,940
General expenses		10,361,626	7,014,928
Finance cost		80,841	65,959
<b>Total Payments</b>		<b>74,785,588</b>	<b>78,163,155</b>
<b>Net Cash Flows from operating activities</b>		<b>8,080,370</b>	<b>(3,555,974.00)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment		(8,373,190)	0
Purchase of intangible assets		0	0
Proceeds from the sale of property, plant, and equipment		0	0
<b>Net cash flows used in investing activities</b>		<b>0</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		0	0
Repayment of Borrowings		0	0
<b>Net cash flows used in financing activities</b>		<b>0</b>	<b>0</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>(292,820)</b>	<b>(3,555,974)</b>
Cash & Cash equivalents at the beginning (1 <sup>st</sup> July)		2,147,980	5,703,954
Cash & Cash equivalents at the end. (30 <sup>th</sup> June)		<b>1,855,160</b>	<b>2,147,980</b>

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
<b>Budget carryovers from the previous year*</b>	-					
<b>Receipts</b>						
Transfers from other govt entities and govt grants	45,000,000	0	45,000,000	33,872,975	11,127,025	75%
Rendering of services- fees from students	106,819,000	0	106,819,000	39,754,470	56,045,453	37%
Development Grant	30,882,038	0	30,882,038	-	30,882,038	0%
Other income	13,000,000	0	13,000,000	9,238,513	(300,086)	71%
<b>Total Revenue</b>	<b>195,701,038</b>	<b>0</b>	<b>195,701,038</b>	<b>82,865,958</b>	<b>97,754,430</b>	<b>42%</b>
<b>Expenditure</b>						
Employee costs	30,088,588	0	30,088,588	18,282,622	9,463,789	61%
Use of goods and services	94,418,412	0	94,418,412	39,949,190	52,904,418	42%
General expenses	13,000,000	0	13,000,000	10,442,467	1,640,504	80%
Remuneration of directors	5,512,000	0	5,512,000	3,195,600	2,316,400	58%
Development expenses/Infrastructure	49,382,038	0	49,382,038	<b>8,373,190</b>	37,393,923	17%
Repairs and maintenance	3,300,000	0	3,300,000	2,915,709	384,291	88%
<b>Total Expenditure</b>	<b>195,701,038</b>	<b>0</b>	<b>195,701,038</b>	<b>83,158,778</b>	<b>104,103,325</b>	<b>42%</b>
Surplus	0		0	(292,820)		
Capital Expenditure						

**Budget Notes**

**(a) Underutilization in Development Grants – 100%**

No development funds were released by the Government of Kenya during the 2024/2025 financial year. Management is continuing to engage the relevant authorities to expedite the release of these funds.

**(b) Underutilization in Capitation Grants – 25%**

The underutilization resulted from the Government of Kenya not disbursing the full amount of the budgeted capitation funds for the year.

**(c) Underutilization in Use of Goods and Services – 58%, RMI – 12%, General Expenses – 20%**

The non-release of Capitation Grants for Quarter 3 and Quarter 4 adversely affected procurement schedules, leading to delayed acquisition of goods and services in these expenditure categories.

**(d) Underutilization in Board Expenses – 42%**

The Board’s term expired in June 2024, resulting in reduced board activities and consequently lower expenditure than initially budgeted.

**(e) Underutilization in Personal Expenses – 31%**

The recruitment of additional PSC trainers during the year led to the release of BOG trainers. Furthermore, June salaries were processed and paid in July 2025, contributing to the underutilization of personal emoluments.

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	
2	Reason for differences	
3	Reason for differences	
4	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	

## **19. Notes to the Financial Statements**

### **1. General Information**

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

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

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Polytechnic'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 in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Polytechnic. 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, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**The Nyamira National Polytechnic**  
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**3. Adoption of New and Revised Standards**

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

*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.*

Standard	Effective date and impact:
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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

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	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.
IPSAS 46: Measurement	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></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><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></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>

**The Nyamira National Polytechnic  
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<p>IPSAS 50: Exploration For &amp; Evaluation of Mineral Resources</p>	<p><i>Applicable 1<sup>st</sup> 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> <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>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.</li> </ul>
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**iii. Early adoption of standards**

The Polytechnic did not early – adopt any new or amended standards in the financial year

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

The Polytechnic 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.

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**b) Budget information**

The original budget for FY 2024/2025 was approved by the Council on **28/06/2024**. 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 upon receiving the respective approvals to conclude the final budget. Accordingly, the Polytechnic recorded additional appropriations of ~~xxx~~ on the FY 2025/2025 budget following the Council's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented.

**c) Taxes**

***Current income tax***

The entity is exempted from paying taxes as per the **paragraph 10 of the First schedule of the Income Tax Act, Cap 470**

***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 xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. (entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**e) Property, plant and equipment**

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

**f) Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks

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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**

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

**Fair value through net assets/ equity**

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

### **Fair value through surplus or deficit**

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

### **Trade and other receivables**

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

### **Impairment**

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

### ***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.

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

### **Inventories (Continued)**

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

#### **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

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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. 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.

**t) 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.

## **5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the *Polytechnic'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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*(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

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**6. Transfers from other National Government entities**

Description	2024-2025	Comparative 2023-2024
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants		27,563,809
Operational Grant		-
Development grants		0
Other Grants		0
<b>Total unconditional Grants</b>		<b>27,563,809</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant		0
Hostels Grant		0
Administration Block Grant		0
Laboratory Grant		0
Learning Facilities Grant		0
Other Organizational Grants		0
<b>Total Government Grants and Subsidies</b>		<b>27,563,809</b>

**7. Rendering of Services**

Description	2024-2025	2023-2024
	Kshs	Kshs

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Tuition fees	34,384,725	21,841,627
Repairs Maintenance and Improvement	3,655,992	12,367,063
Personal Emoluments	17,518,574	2,540,482
Local Transport and Transport	8,666,160	7,183,070
Electrical Water and Conservancy	3,915,735	3,663,564
Activity	4,757,179	2,574,110
Medical	886,875	2,806,600
Industrial Attachment	3,400,250	772,400
Administration Fees	2,858,500	2,937,300
Development Fund	4,555,000	3,840,000
Capitation	47,532	
<b>Total Fees from students</b>	<b>84,646,522</b>	<b>60,526,216</b>

**8. Other Income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Student Board	576,100	468,600
Admission Fees	640,990	741,280
Sale of Tender Documents		2,000
Exam Registration	7,853,086	6,000,000
KNEC Referrals	423,850	208,040
Sale of Water		0
Sale of containers	500	0
Sale of Milk	10,550	19,220
Computer Packages	149,050	105,200
Graduation Fees		0

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Sale of Fish	17,700	5,400
Smart Cards		26,100
Sale of onions	260	2,490
GIZ Fund		0
Lost Items		550
Center Fess	5,000	0
KUCCPS	984,500	827,000
TVETA	661,500	221,000
Bus Hire	195,000	184,000
Workshop Training Fees	1,782,000	752,000
<b>Total other income</b>	<b>13,300,086</b>	<b>9,562,880</b>

**9. Use of Goods and Services**

<b>Description</b>		
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	2024-2025	2023-2024
	Kshs	Kshs
Electricity	1,459,648	1,379,973
Local Transport and Traveling	11,387,603	12,886,500
Games	2,493,935	2,716,301
Medical Services	32,876	57,028
Industrial Attachment	996,650	1,183,260
Marketing	4,894,407	2,176,631
Catering	2,926,823	1,963,910
Administration Costs	8,881,142	9,788,257
Farm	386,235	453,774
House Keeping	98,058	94,460
Text Books	7,500	596,720
Research and Development	250,425	504,990
Withholding Tax	73,462	16,700
Hairdressing and Beauty Therapy	481,690	215,770
Computer Studies	365,512	931,500
Building and civil Engineering	3,077,249	1,466,567
Institutional Management	443,825	498,590
Roborts and automation	25,820	3,610,865
Electrical and Electronic Engineering	727,480	731,845
Business Studies		0
KATTI	200,000	385,300
KONZA Project		0
Mechanical Engineering	713,850	799,912
ISO	25,000	0
Pending bill	1,564,804	6,844,884
<b>Total good and services</b>	<b>41,513,994</b>	<b>49,303,737</b>



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**10. Employee Costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and Wages	14,801,220	21,665,062
NSSF	1,800,002	2,168,100
NHIF	456,000	702,600
PAYE	625,200	758,615
Welfare Contribution	50,000	124,000
HELB Recoveries	56,000	80,000
SACCO	302,000	437,198
Housing Levy	182,000	231,300
NITA	10,200	17,941
Pending bill	2,342,177	988,000
<b>Employee Costs</b>	<b>20,624,799</b>	<b>27,172,816</b>

**11. Council Expenses**

Description	2024-2025	2023-2024
	Kshs	Kshs
Allowances to BOG	2,843,600	1,668,000
Chairman Honoraria	286,000	260,000
Chairman Airtime	55,000	50,000
Other Board Expenses	11,000	-
<b>Total board expenses</b>	<b>3,195,600</b>	<b>1,978,000</b>

**12. Depreciation and Amortization expense**

Description
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	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	17,946,543	20,647,502
Intangible assets	498,864	498,864
Investment property carried at cost	00	0
<b>Total depreciation &amp; amortization Expense</b>	<b>18,445,407</b>	<b>21,146,366</b>

**13. Repairs and Maintenance**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property	2,485,000	-
Investment property – earning rentals	0	-
Equipment and machinery	130,000	-
Vehicles	185,000	-
Furniture and fittings	115,709	460,940
Computers and accessories	0	-
<b>Total Repairs and Maintenance</b>	<b>2,915,709</b>	<b>460,940</b>

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**14. General Expenses**

Description	2024-2025	2023-2024
	Kshs	Kshs
Exams Registration	5,101,970	5,436,690
Smart Card Exp	0	119,700
Fees Refund	0	0
Student Board	1,062,875	422,155
Computer Packages	73,360	4,600
Bus Expense	699,161	174,101
Admission Fees Expenses	50,000	87,682
Workshop Expenses	1,374,260	770,000
Borrowing Dvt A/c	2,000,000	00
Pending Bills	997,870	00
<b>Total</b>	<b>11,359,496</b>	<b>7,014,928</b>

**15. Finance Costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Borrowings (Amortized Cost)*	-	-
Finance Leases (Amortized Cost)	-	-
Unwinding of Discount from lease liabilities	-	-
Bank charges	80,841	65,959
Interest on Loans from Commercial Banks	-	-

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<b>Total Finance Costs</b>	<b>80,841</b>	<b>65,959</b>
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*(\*Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)*

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**16. Cash and Cash Equivalents**

Description	2024-2025	2023-2024
	Kshs	Kshs
Student fund A/c	1,791,212	2,147,980
Recurrent A/c	63,948	-
Fixed Deposits Account	-	-
Others (Specify)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>1,855,160</b>	<b>2,147,980</b>

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

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**17 (a). Detailed Analysis of Cash and Cash equivalents**

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
<b>a) Current account</b>			
Student fund A/c	1167884027	1,791,212	2,076,661
Recurrent A/c	1167884329	63,948	71,319
Development A/c		-	-
Stives A/c			
PMC /CDF A/c			
<b>Sub- Total</b>		<b>1,855,160</b>	<b>2,147,980</b>
<b>b) Fees A/c</b>			
- Bank		-	-
-Cash		-	-
<b>Sub- Total</b>		-	-
<b>c) Others</b>			
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money account		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>1,855,160</b>	<b>2,147,980</b>

17. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	64,753,667	51,993,616
Rent Debtors	0	0
Advance payments	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
<b>Total Current Receivables</b>	<b>64,753,667</b>	<b>51,993,616</b>

18. (b) Ageing Analysis of Receivables from Exchange transactions

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Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year -	16,962,051	26%	22,591,801	43%
Between 1- 2 years	18,389,801	28%	2,125,254	4%
Between 2-3 years	2,125,254	3%	8,651,666	17%
Over 3 years	27,276,561	42%	18,624,895	36%
<b>Total (a+b)</b>	<b>64,753,667</b>	<b>100%</b>	<b>51,993,616</b>	<b>100%</b>

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**19. Receivables from Non-Exchange transactions**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	55,238,600	55,238,600
Transfers from Other Govt. entities	00	0
Undisbursed Donor Funds	00	0
Other Debtors (Non-Exchange Transactions)	00	0
Less: Impairment Allowance	00	0
<b>Total Current Receivables</b>	<b>55,238,600</b>	<b>55,238,600</b>

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

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

Description	2024-2025		2024-2024	
	Kshs		Kshs	
	2024-2025	% of the total	Comparative FY 2023-2024	% of the total
Less than 1 year	0	0%	22,038,600	40%
Between 1- 2 years	22,038,600	40%	33,200,000	60%
Between 2-3 years	33,200,000	60%	0	0%
Over 3 years	0	0%	0	0%

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<b>Total</b>	<b>55,238,600</b>	<b>100%</b>	<b>55,238,600</b>	<b>100%</b>
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**20. Inventories**

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Office Stationery	318,308	449,291
Institution Management Department	123,420	432,110
Building and Civil Engineering	229,760	453,968
Electrical and Electronics	336,850	729,665
Hair Dressing and Beauty Therapy	138,650	334,760
Catering Stores	184,505	371,199
Farm	10,191	36,777
Cleaning Material	8,226	49,294
Sports stores	594,320	1,075,256
Medical store	11,459	23,861

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ICT stores	475,422	750,480
Mechanical Department	12,930	00
Automative Engineering	33,500	00
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>2,477,541</b>	<b>4,706,661</b>

**21. Property, Plant and Equipment**

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	Land	Buildings	Furniture and fittings and office equipment	Computers	Plant, machinery and equipment	Motor vehicle	Capital work in progress	Total
Depreciation Rate	-	2.50%	12.50%	33.30%	12.50%	25%		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Cost</b>								
At 1 July 2023	91,400,000	343,663,094	5,653,279	22,981,089	66,365,490	8,450,000	26,304,356	564,817,308
Additions								
Disposals	-	-	-	0	-		-	-
Transfers/adjustments								
At 30 June 2024	91,400,000	343,663,094	5,653,279	22,981,089	66,365,490	8,450,000	26,304,356	564,817,308
Additions							11,988,155	11,988,155
Disposals	0							
Transfer/adjustments*								
At 30 June 2025	91,400,000	343,663,094	5,653,279	22,981,089	66,365,490	8,450,000	38,292,511	576,805,463
<b>Depreciation and Impairment</b>								
At 1 July 2023	0	15,634,574	1,966,685	8,523,817	25,917,333	2112500	0	54,154,909
Depreciation		8,591,577	706,660	7,652,703	8,295,686	2,112,500		27,359,126
Impairment								
At 30 June 2024	0	24,226,151	2,728,348	10,770,920	36,730,397	2,112,500		76,568,316
Depreciation	-	7,985,924	365,586	4,306,319	3,704,339	1,584,375		17,946,543
Disposals								
Impairment								
Transfer/Adjustment								
At 30 June 2025	0	32,212,075	3,093,934	15,077,239	40,434,736	3,696,875	0	94,514,859
<b>Net Book Values</b>								
At 30 June 2024	91,400,000	319,436,943	2,924,931	12,210,169	29,635,093	6,337,500	26,304,356	488,248,992
At 30 June 2025	91,400,000	311,451,019	2,559,345	7,903,850	25,930,754	4,753,125	38,292,511	482,290,604

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**Notes to the Financial Statements (Continued)**

**Valuation**

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

**21 (b) Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	91,400,000	-	91,400,000
Buildings	343,663,094	32,212,075	311,451,019
Plant And Machinery	66,365,490	40,434,736	25,930,754
Motor Vehicles including Motorcycles	8,450,000	3,696,875	4,753,125
Computers and Related Equipment	22,981,089	15,077,239	7,903,850
Office Equipment, Furniture, And Fittings	5,653,279	3,093,934	2,559,345
Work in progress	38,292,511	-	38,292,511
<b>Total</b>	<b>576,197,648</b>	<b>94,514,859</b>	<b>482,290,604</b>

## 22. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Cost</b>		
At beginning of the year	4,988,640	4,988,640
Additions		-
At end of the year	4,988,640	4,988,640
Additions–internal development		-
At end of the year	4,988,640	4,988,640
<b>Amortization and impairment</b>		
At beginning of the year	1,479,028	
Amortization	498,864	980,164
At end of the year	1,977,892	498,864
Impairment loss	-	0
At end of the year	1,977,892	1,479,028
<b>NBV</b>	<b>3,010,748</b>	<b>3,509,612</b>

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**23. Biological Assets**

	2024-2025	2023-2024
	Kshs	Kshs
Cattle	270,000	270,000
Trees	-	-
Others (Specify)	-	-
<b>Total</b>	<b>270,000</b>	<b>270,000</b>

*(Provide the necessary disclosures)*

**24. Trade and Other Payables**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade payables	5,179,729		6,844,884	
Salary	2,342,177		-	
Third-Party Payments	-		-	
Other Payables	997,870		-	
<b>Total Trade and Other Payables</b>	<b>8,519,776</b>		<b>6,844,884</b>	
<b>Ageing analysis:</b>		<b>% of the Total</b>	<b>2023-2024</b>	<b>% of the Total</b>
Under one year	8,519,776	100%	6,844,884	100%
1-2 years	0	0%	-	%
2-3 years	0	0%	-	%
Over 3 years	0	0%	-	%
<b>Total (to tie to totals above)</b>	<b>8,519,776</b>	<b>100%</b>	<b>6,844,884</b>	<b>100%</b>

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 2,160 per employee per month. Employees contribute 6% while employers contribute 6% of gross salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**25. Cash generated from operations.**

**26. Events After The Reporting Period**

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

**27. Ultimate And Holding Entity**

The entity is a State Corporation under the Ministry of Education. Its ultimate parent is the Government of Kenya.

**28. Currency**

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
01	<p><b>I. Inaccuracies in the financial statement</b></p> <p>The report of the principal on page xviv shows tuition fees collected and total revenue of ksh. 70,089,096 and ksh. 97,652,925 while the statement of financial performance shows ksh. 60,526,216 and 97,652,905</p> <p>The report of the principal on page xvii shows actual</p>	<p><b>Inaccuracies in the financial statement</b></p> <p>The statement of the principal states that: The Institute also collected tuition fees and other charges amounting to Kshs. 70,089,096. Meaning Tuition fees of ksh. 60,526,216 and other income of ksh. 9,562,880 making the total revenue from exchange transactions to be ksh. 70,089,096 and the total revenue is ksh. 97,652,905</p> <p>In the statement of financial performance included is depreciation and amortization expense of ksh. 21,146,366 while in the principal report it states that: In addition, there was accumulated depreciation and</p>	Resolved	30/06/2025

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	expenditure of ksh. 80,996,016 while the statement of financial performance shows ksh. 107,142,382	amortization expense of Kshs. 21,146,366 making the total expenses ksh. 107,142,382 same as the figures in the statement of financial performance		
	2. The operational and finance performance of the polytechnic at page xxiv shows revenue shortfall of ksh. 80,275,062 while the statement of comparison of budget and actual amounts shows amounts of ksh. 57,166,933	This was corrected to reflect the correct figure of ksh. 57,166,933	Resolved	30/06/2025
	iii) The statement of financial performance and note 6 to the financial statements reflect comparative transfers from national government entities of ksh. 54,000,000 while the statement of cash flow reflects kshs. 20,800,000 for the item	IPSAS 1 gives guidance on how to prepare financial statements The statement of financial performance is prepared using accrued basis that why we have total figure of ksh. 54,000,000 which was expected from the government while the statement of cash flow is prepared using cash basis whereby we recorded amount of ksh. 20,800,000 which reflects the actual amount received in the financial year	Resolved	30/06/2025
	iv) The statement of cash flow reflects finance costs of Kshs. 69,959 which differs with the	The queried figure of ksh. 65,595 in all the pages stated is correct and not the one of ksh. Kshs. 65,959	Resolved	30/06/2025

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	amount of Kshs.65,959 and Kshs.65,595 disclosed in the statement of financial performance and Note15 to the financial statements, respectively.			
	v) The statement of financial performance reflects general expenses of Kshs. 7,014,928 while the statement of comparison of budget and actual amounts reflects actual amounts Kshs. 7,080,887.	In The statement of financial performance, general expenses and finance costs are reported separately ksh. 7,014,928 and ksh. 65,959 respectively While in the statement of comparison of budget and actual amounts these two elements have been combined together totaling to ksh. 7.080.887	Resolved	30/06/2025
	vi) The statement of financial position reflects current portion of receivables from exchange transaction balance of Kshs.55,942,364 which differs with Nil balance reflected on page 7, under the reconciliation of total actual reported in the statement of comparison of budget and actual amounts and total actual	The statement of financial position reflects current portion of receivables from exchange transaction balance of Kshs 51,993,616 and not the queried amount of ksh. 55,942,364	Resolved	30/06/2025

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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)
	reflected in the statement of financial performance.			
	vii) The statement of comparison of budget and actual amounts reflects general expenses and total expenditure amounts of Kshs.7,080,887 and Kshs.85,996,380 which differs with the amounts of Kshs.7,014,928 and Kshs.107,142,382, respectively, reflected in the statement of financial performance.	In The statement of financial performance, general expenses and finance costs are reported separately ksh. 7,014,928 and ksh. 65,959 respectively totaling to 7,080,887 and in the same statement included is depreciation and amortization expense of ksh. 21,146,366 making the total expense to be ksh. 107,142,382	Resolved	30/06/2025
	viii) he statement of financial performance reflects total expenses and deficit of Kshs.107,142,382 and Kshs.9,489,477, respectively, instead of the correct casted amounts of Kshs.107,142,746	In the statement of financial performance reflects total expenses and deficit of Kshs.107,142,382 and Kshs.9,489,477, respectively These are the correct figures reported	Resolved	30/06/2025

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>								
	and Kshs.9,489,841, respectively.											
	ix) The table of content shows Appendices as number 20 instead of number 28. In the circumstances, the accuracy and completeness of the financial statements could not be determined.	The table of content shows Appendices as number 35 and not 28 as queried	Resolved	30/06/2025								
02	<p><b>Variations Between the Financial Statements and the Payroll Amount</b></p> <p>The statement of financial performance reflects employees' costs of Kshs.27,172,816. However, variations between the financial statements and the individual payroll amounts noted were as analysed below:</p> <table border="0"> <tr> <td>Description</td> <td>Amount as per Financial Statements</td> <td>Amount as per Payroll</td> <td>Variance</td> </tr> <tr> <td>S W</td> <td>21,665,062</td> <td>18,140,576</td> <td>(3,524,486)</td> </tr> </table>	Description	Amount as per Financial Statements	Amount as per Payroll	Variance	S W	21,665,062	18,140,576	(3,524,486)	<p>Variations Between the Financial Statements and the Payroll Amount</p> <ul style="list-style-type: none"> <li>- The outsourced security services amounting to ksh.96,0000.00 per month for the whole year was not included in the payroll but included in the financial statement as personal emolument expenditure</li> <li>- There were new trainers whom were advanced imprest which they refunded but it was not included in the payroll as well</li> </ul>	Resolved	30/06/2025
Description	Amount as per Financial Statements	Amount as per Payroll	Variance									
S W	21,665,062	18,140,576	(3,524,486)									

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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)
	<p>NSSF 2,168,100      2,408,806 240,706</p> <p>NHIF 702,600      685,700 (16,900)</p> <p>PAYE 758,615      815,239 56,624</p> <p>Welfare 124,000 181,832      57,832</p> <p>HELB 80,000      104,000 24,000</p> <p>Sacco 437,19      357,045 (80,153)</p> <p>H.L 231,300      611,340 380,040</p> <p>In the circumstances, the accuracy and completeness of employee costs of Kshs.27,172,816 could not be confirmed.</p>	<p>- During the year we had part timer nurse who was not included in the payroll but included in the financial statement as personal emolument expenditure</p> <p>-</p> <p>Some statutory deductions for the month of June 2024 and others had not been paid for during the close of the FY</p> <p>- Some salaries and wages for the month of June 2024 were in arrears</p>		

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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)
03	<p><b>Long Outstanding Receivables from Exchange Transactions</b> The statement of financial position reflects current receivables from exchange transactions – student debtors balance of Kshs.51,993,980. The balance includes fees arrears of Kshs.29,401,815 which has been outstanding for more than one year as disclosed in Note 18 (c) to the financial statements. Management has not disclosed the measures put in place to recover the long outstanding debts. Further, there is no provision made for impairment of the bad and doubtful debts.</p>	<p><b>Long Outstanding Receivables from Exchange Transactions</b> Management continuous to make an effort to recover the outstanding fees balances by employing the following measures:</p> <ul style="list-style-type: none"> <li>- Students to clear fees before registering for both internal and external evaluations</li> <li>- The management has set aside a desk with adequate human resources for assisting both first years and continuing students in loan and scholarships application in the office of Dean of students</li> <li>- Release of circulars to students during end of terms instructing them to make an effort of clearing their fees balances.</li> <li>- Formulated debt policy</li> </ul>	Not resolved	30/06/2026

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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)
04	<p><b>Unconfirmed Property, Plant and Equipment Balance</b> The statement of financial position reflects property, plant and equipment balance of Kshs.490,546,197, which includes Kshs.91,400,000 being value of two (2) parcels land. The land is registered under St. Stephen Egetai Technical Training Institute (EGTTI) registration No. North Mugirango/ Bokeira/4683 and North Mugirango/Bokeira/4684, and they measure 10.44 ha or 26.5 acres and 2.4 Ha or 6.06 acres, respectively. However, the land ownership documents were not provided for audit review. Management explained that the authentication process of the title deeds for change of name is ongoing. Further, the Polytechnic asset register had not been updated to reflect the net book values of assets as at 30 June, 2024 as is</p>	<p><b>Unconfirmed Property, Plant and Equipment Balance</b></p> <ul style="list-style-type: none"> <li>- The process of ownership transfers is underway and we produced the communication evidence during auditing. The process of land ownership, transfer and change of name is at advanced stage</li> <li>- The asset register has been updated accordingly</li> </ul>	Resolved	30/06/2025

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	also disclosed in the asset movement schedule Note 21 to the financial statements.			
05	<p><b>Delayed Completion of Library Building</b> The statement of financial position reflects property, plant and equipment balance of Kshs.490,546,197 which includes Kshs.26,304,361 being capital work in progress – construction of library building. The contract for the project was awarded at a contract sum of Kshs.48,819,382 and later revised to Kshs.59,891,337. The contract period was thirty-six weeks beginning on 14 April, 2016 with payment of Kshs.26,304,361 made to date. However, the project stalled more than 8 years ago and verification carried out on 25</p>	The state department of TVET under the M.O.E has been following and fast tracking on development grants to complete the project	Not Resolved	30/06/2026

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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)
	<p>April, 2025, revealed that the contractor was not on site. Management attributed the delayed project to the failure to disburse funds. As a result, terms and conditions for grading of the institution to a Polytechnic standard have not been met.</p>			
06	<p><b>Trade and Other Payables from Exchange Transactions</b>                      he statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.6,844,884 which includes audit fees and employee’s salary arrears of Kshs.1,740,000 and Kshs.988,341, respectively, as disclosed in Note 24 to the financial statements. However, supporting documents including invoices were not provided for audit review.</p>	<ul style="list-style-type: none"> <li>- In the previous years we have been having zero accounts payables but due to financial constrains we recorded some in the FY under review and the management is committed to clear them by allocating the first charge in the budget</li> </ul>	Resolved	30/06/2025

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
07	<p><b>Budgetary Control and Performance</b> The statement of comparison of budget and actual amounts reflects revenue budget and actual on comparable basis of Kshs.154,819,838 and Kshs.97,652,905 resulting to under collection of Kshs 57,166,933 or 37% of the budget. Similarly, the Polytechnic expended Kshs.85,996,380 against actual receipts of Kshs.97,652,900, resulting to an under- absorption of Kshs.11,656,525 or 12% of the total receipts.</p>	<p><b>Budgetary Control and Performance</b> - The government did not remit capitation and HELB grants to our students which led to under performance of revenues and expenditures as estimated</p>	Not Resolved	30/06/2026
08	<p><b>Unresolved Prior Year Matters</b> In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in</p>	This was well noted and its work-in progress	Not Resolved	30/06/2026

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	<p>Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved all the issues contrary to Section 149(2)(1) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding.</p>			
09	<p><b>Lack of Approved ICT Policies</b></p> <p>Records available indicate that the polytechnic did not have Information Technology (IT) policy, IT strategy or steering committees and as such IT governance system was found to be weak. Further, the Management had not put in</p>	The policy was provided	Resolved	30/06/2025

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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)
	place security policy to safeguard its information assets. In the circumstances, the effectiveness of information technology, internal controls to safeguard against possible information losses, confidentiality, and integrity could not be confirmed. The audit was conducted in accordance with ISSAI 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective			

.....  
*[Signature]*  
 .....

**Name: James B. Kinara**  
**The Nyamira National Polytechnic**  
**The chief principal**  
**Date 27/08/2025**

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Appendix II: Projects Implemented by (The Entity)

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						
2						

Status of Projects completion

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

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

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**Appendix III- Inter-Entity Confirmation Letter**

Name of transferring entity Ministry of Education

Name of beneficiary entity The Nyamira National Polytechnic

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 <sup>th</sup> June (Current FY)						
Reference Number	Date Disbursed	Unallocated	Capitation (A)	Scholarship (B)	Total (C)=(A+B)	Remarks
MOE/DTE/CAP/44(24)	20/09/2024	00	7,449,125.00	00	7,449,125.00	
MOE/DTE/CAP/42(24)	20/09/2024	00	6,074,425.00	00	6,074,425.00	
MOE/DTE/SCHO/VOL1(25)	20/09/2024	00	00	678,436.40	678,436.40	
MOE/DTE/SCHO/VOL1(25)	20/09/2024	00	00	3,164,026.90	3,164,026.90	
MOE/DTE/SCHO/VOL1(26)	20/09/2024	00	00	1,188,670.30	1,188,670.30	
MOE/DTE/SCHO/VOL1(26)	20/09/2024	00	00	2,834,800.80	2,834,800.80	
MOE/DTE/CAP/46(24)	14/02/2025	00	20,331,425.00	00	20,331,425.00	
EFT		18,000.00	00	00	18,000.00	
<b>Total</b>		<b>18,000.00</b>	<b>33,854,975.00</b>	<b>7,865,934.40</b>	<b>41,738,909.40</b>	
	<p>I confirm that the amounts shown above are correct as of the date indicated.</p> <p><b>Head of Accounts Department - Disbursing Entity:</b></p> <p>Name ..... Sign ..... Date .....</p> <p><b>Head of Accounts Department - Beneficiary Entity: The Nyamira National polytechnic</b></p> <p>Name CPA Mouti Rebecca Kerubo Sign Date 27/08/2025</p>					

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**Appendix IV: Reporting of Climate Relevant Expenditures**

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

**There was no budget for this expenditure**

**Appendix V: Reporting on Disaster Management Expenditure**

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

There was no budget for this expenditure

