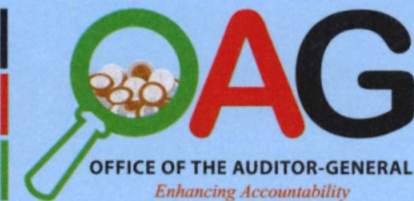
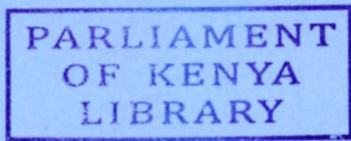


REPUBLIC OF KENYA



REPORT

OF




THE AUDITOR-GENERAL

ON

BARINGO NATIONAL POLYTECHNIC

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 MAR 2025	DAY: TUESDAY
TABLED BY: HON. DWEN BAYA, MP	
SECRETARY: CHRISTINE NDIRITU	



MINISTRY OF EDUCATION

**STATE DEPARTMENT FOR VOCATIONAL AND
TECHNICAL TRAINING**

BARINGO NATIONAL POLYTECHNIC

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

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

Baringo National Polytechnic
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1. Acronyms and Definition of Key Terms

A. Acronyms

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
BOG	Board of Governors
TVET	Technical, Vocational, Education and Training
MOE	Ministry of education
TVETA	Technical, Vocational, Education and Training Authority
ICPSK	Institute of Certified Public Secretaries of Kenya
IHRM	Institute of Human Resource Management
IIAK	Institute of Internal Auditors of Kenya
KIM	Kenya Institute of Management
KISM	Kenya Institute of Supplies Management
CHRPK	Certified Human Resource Practitioners Kenya
BNP	Baringo National Polytechnic
CICan	Colleges and Institutes Canada

B. Definition of Key Terms

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

Comparative Year: Means the prior period.

Accounting officer: Shall refer to the officer responsible for proper management of the BNP finances as defined by the PFM Act of 2012

Assets: Is an economic resource. Anything tangible or intangible that is owned or controlled to produce positive economic value.

Budget: An estimation of revenue and expenses over a specified future period of time and is usually compiled and re-evaluated on a periodic basis.

Depreciation: The systematic allocation of the depreciable amount of a non-current asset over its useful life.

Equity: The residual interest in the assets of the enterprise after deducting all its liabilities.

Expenditure: Costs incurred by the polytechnic in the course of doing business.

Financial statements: Are structured financial representation of the financial information and transactions undertaken by an entity.

Imprest: A form of cash advance or a float which the principal may authorize to be issued to officers who in the course of their duty are required to incur official costs, which cannot conveniently be charged to the budget before they are incurred.

Liability: Is a present obligation of BNP arising from past events, the settlement of which is expected to result in an outflow from the enterprise of resources of economic value.

Long term liabilities: These are financial liabilities resulting from previous events that fall due after one year.

Recurrent Expenditure: An ongoing expenditure of an organization, such as salaries and traveling expenses.

Governing Council: This is in reference to the Board of Governors

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2. Key Entity Information and Management

(a) Background information

Baringo National Polytechnic (BNP) was established under the Technical and Vocational Education Training (Baringo National Polytechnic) Legal Order No. 17 of 2024, originally founded as Baringo Technical College (BTC) in the year 2012. Located on a 7.2-hectare site off the Kabarnet -Tenges Road, 6 km from Kabarnet Town in Baringo Central Sub-county, Baringo County, the institution operates under the Ministry of Education, State Department for TVET, and the TVET Act of 2013.

The construction of BNP's initial facilities was funded through community efforts, including contributions from civil servants, teachers, farmers, and others. The project was managed by the provincial administration in the absence of a formal board or committee. The land, part of the Kabereke/Kamgoin Forest, was managed by local clan elders who acted as trustees. In 1982, local leaders and community elders, with the support of President Daniel Toroitich Arap Moi, expanded the college's land through a compensation plan. Construction began in 1985 but faced intermittent delays due to funding issues, and the college officially opened in September 2012, admitting its first batch of students in January 2013.

BNP operates in alignment with government policies and procedures, adhering to national and international legal and policy guidelines such as the Constitution of Kenya 2010, Sustainable Development Goals (SDGs), Kenya Vision 2030, and various national industrialization policies. With a mission to provide quality vocational and technical training for the global market, BNP has produced competitive graduates since its inception. The institution offers Courses which are examined by TVET CDACC, KNEC, KASNEB, and NITA.

(b) Principal Activities

The Principal activity of the institution is found in Its Mission, Vision and Core Objectives as highlighted below:

Mission

To Provide Quality Human Resource Through Technical Vocational Training for The Global Market

Vision

A Global Leader in Skill-Oriented Training and Innovation in Technology, Engineering, And Entrepreneurship

Core objectives

Baringo National Polytechnic derives its mandate from the Legal Notice No. 17 of 2024. The polytechnic is mandated to carry out the following functions:

- (a) Provide, directly or in collaboration with other institutions of higher learning, facilities for technical, technological, professional, scientific education and training
- (b) Participate in technological innovation as well as in the discovery, transmission, and enhancement of knowledge for economic, social cultural, scientific and technological development
- (c) Contribute to industrial and technological development of Kenya, in collaboration with industry and other organizations, through transfer of technology
- (d) Promote and establish a culture of innovation in engineering and technology, and technology transfer amongst staff and students
- (e) Develop an institution with excellence in teaching, training, scholarship, entrepreneurship, research, consultancy, community service, among other educational

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services and products, with emphasis on technology and its development, impact and application within and outside Kenya

- (f) Provide a multi-level system of post-secondary school education and training programmes relevant to the needs of the community, covering a wide range of fields and levels with provision for recognition of prior learning and flexibility of transition between programmes
- (g) Provide high quality educational, research, residential, commercial, cultural, social, recreational, sporting and other facilities
- (h) Advance knowledge and its practical application by research and other means, the dissemination of outcomes of research by various means, and the commercial exploitation of research results
- (i) Promote research within the National Polytechnic and in the general community
- (j) Participate in commercial ventures and activities
- (k) Foster the general welfare of all staff and students
- (l) Provide opportunities for development and further training for staff of the National Polytechnic
- (m) Develop and provide educational, cultural, professional technical and vocational services to the community and in particular, foster corporate social responsibility
- (n) Provide programmes, products and services in ways that reflect the principles of equity and social justice
- (o) Facilitate student mobility between different programmes at different technical training institutions and other national polytechnics
- (p) Conduct examinations for and grant such academic awards as maybe provided under this Order; and
- (q) Collaborate with recognized universities for the conduct and award of degree programmes in technology.

(c) Key Management

The Baringo National Polytechnic's day-to-day management is under the following key organs include The Governing Council, Principal and Management team

(d) Fiduciary Management

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

SNo.	Designation	Name
1.	Principal	Isaac Bwambok
2.	Deputy Principal Administration	Robert Chesire
3.	Deputy Principal Academics	Patricia Kipsang
4.	Registrar	Clement Tison
5.	Dean of Students	Rufus Muriuki
6.	Head of Finance	CPA Rebecca Chelanga
7.	Head of Procurement	Robert Kiprop Chirchir
8.	Internal Auditor	CPA Elijah Koech
9.	Human Resource Officer	Reuben Kangogo Chepsigot

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Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

The Board has the overall mandate of ensuring the sound management of the Polytechnic. This includes; approving budget and procurement plan, approving policies, strategic plan, reviewing management implementation of strategies, policies and plans, risk assessment and management and recruitment of staff. The effective operation of the Governing Council is enhanced through clearly mandated Council committees, accompanied by monitoring and reporting systems. Each standing Governing Council committee has specific roles and responsibilities as set out below;

i) Audit and Risk Management committee.

Their roles include:

- i). To provide strong and effective oversight of the college internal audit function
- ii). Examine internal and external audit reports and recommendations.
- iii). Asses the performance of internal audit function

The committee is composed of the following members.

Sno	Name	Post Held
1	CPA Sally Lawatt	Chairperson
2	Josiah Omosa	Member
3	Luka Kipyegen	Member
4	Frankline Mukuna	Member

ii) Academic, Human Resource and welfare committee

Their roles include:

- i). Receive reports from the Principal, and management on implementation of curriculum in the college and handles any issues and challenges hindering curriculum implementation.
- ii). Authorizes expenditure on acquisition of training materials and resources for Smooth curriculum implementation.
- iii). Reports to the main board on all issues discussed and steps taken by the committee.

The committee is composed of the following members.

Sno	Name	Post Held
1	Eng. Kipruto Cherogony	Chairperson
2	Josiah Omosa	Member
3	Moulid Daudi Abdi	Member
4	Frankline Mukuna	Member
5	Isaac Bwambok	Secretary

iii) Finance and Infrastructure Committee

Their roles include.

- i). Receive reports from the Principal, and management on implementation of capital projects.
- ii). Authorizes expenditure on acquisition of training materials and resources.
- iii). Scrutinize annual budget prior to presentation to the full Board.

The committee is composed of the following members.

Sno	Name	Post Held
1	Karoli Ooko	Chairperson
2	Dennis Kiprono	Member
3	Kipruto Cherogony	Member
4	Frankline Mukuna	Member
5	Isaac Bwambok	Secretary

Key Entity Information and Management (Continued)

(f) Entity Headquarters

Baringo National Polytechnic
P.O. Box 299-30400
Kabarnet, Kenya

(g) Entity Contacts

Telephone: 0702191409
E-mail: baringotechnical@yahoo.com
Website: www.baringotechnical.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Kabarnet Branch
P.O Box 175-30400
Kabarnet
Bank Account Numbers.
1137331836 -Operation Account
1175704199 -Fees Collection Account
1167847253 -Development Account
1322147841-Young African Works (donor fund)

(i) Independent Auditors



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

(j) Principal Legal Adviser




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

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3. The Governing Council

SNo.	Member's Name	Brief Description
1.	 <p>Designation: Chairperson Name: Dr. Marycent Yator Profession: Lecturer</p>	<p>Dr. Marycent Yator is a seasoned academic and leader with a strong background in project planning, human resource management, and education. Born on December 28, 1969, she holds a Ph.D. and M.Sc. from the University of Sunderland, and a B.Sc. in Education Arts from Moi University. She is a Lecturer at Moi University's School of Business and Economics (since 2007), and has also taught at Eldoret Polytechnic and Moi High School Kabarak.</p> <p>An active member of IHRM and KIM, and a Certified Consultant, Dr. Yator has published extensively on topics including regional trade, HRM in Vision 2030, staff appraisal, economic impacts of floods, and interclan conflict. She also serves in leadership roles across several institutions, including BACO Empowerment Initiative, International Consulting House, Kabarnet Municipal Board, and the Baringo Rift Valley Aspiring UNESCO Geoparks.</p>
2.	 <p>Designation: Member Name: Josiah Omosa Profession: Lawyer</p>	<p>Josiah Omosa, born on December 25, 1973, is an accomplished legal professional with over 25 years of experience as an Advocate of the High Court of Kenya. He holds a Master of Laws (LL.M.) from the University of Nairobi (2013), a Bachelor of Laws (LL.B.) from the same institution (1997), and a Diploma in Legal Practice from the Kenya School of Law (1998).</p> <p>He is a registered member of the Institute of Certified Public Secretaries of Kenya (ICPSK) and the Law Society of Kenya (LSK), and serves as a Commissioner for Oaths and Notary Public. With 15 years of experience in corporate secretarial services, he is well-versed in advancing corporate governance and advising Boards. He also has significant expertise in Commercial and Public Procurement Law, having represented clients before the Public Procurement Board and the High Court's Constitutional and Judicial Review Divisions.</p>


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<p>3.</p>	 <p>Designation: Member Name: Moulid Daudi Abdi Profession: Administrator</p>	<p>Moulid Daudi Abdi, born on July 1, 1978, is a seasoned professional in Islamic studies, humanitarian work, and community leadership. He holds dual Bachelor of Arts degrees in Islamic Studies and Islamic Sheria from Sudan International University of Africa and St. Paul's University, respectively, along with a Diploma in Business Administration. He is currently pursuing a Master's degree in Islamic Studies and holds a Postgraduate Diploma in Education and an Executive Diploma in Islamic Banking and Finance.</p> <p>Moulid has held key roles such as Director of Administration in the Department of Special Programs, and Head of Programs and Relief Coordinator at the World Assembly of Muslim Youth (WAMY). He is actively involved in various organizations, serving on the boards of WAYAN International, Al-Fowz Charity, and Atlantic Group of Schools, and is a member of the Shari'ah Supervisory Committee at AMANA SACCO and the PTA at Musab Education Centre in Nairobi.</p>
<p>4.</p>	 <p>Designation: Member Name: Dennis Kiprono Profession: Civil Engineer</p>	<p>Denis Kiprono Komen born on May 5, 1994. Currently a member of the Governing Council of Baringo National Polytechnic. He holds a Bachelor of Science in Civil Engineering from The University of Nairobi and is a registered graduate engineer with the Engineers Board of Kenya. He is currently part of the project staff for Eldoret Bypass supervision.</p>
<p>5.</p>	 <p>Designation: Member Name: Kipruto Cherogony Profession: Engineer</p>	<p>Eng. Kipruto R. K. Cherogony was born January 28, 1968. He holds a Master of Science Degree in Soil & Water Engineering, and BSc Agricultural Engineering from University of Nairobi.</p> <p>He is currently the Technical Advisor of Eor Ekule Dairy Ltd and supporting community, organizations and institutions in developing, implementing and evaluating green fields projects.</p> <p>He also has over 30 years of solid international experience in research, capacity building, development of food security masterplans, design of soil, water and farm infrastructure, irrigation and rainwater harvesting; with special interest in Agroecology and land reclamation especially in the arid and semi-arid lands</p>

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<p>6.</p>	 <p>Designation: Member Name: CPA Sally Lawatt Profession: Accountant</p>	<p>CPA Sally Lawatt, born on March 28, 1978, is an accomplished financial analyst with over 15 years of experience. She holds a Bachelor of Commerce in Finance and is a Certified Public Accountant (CPA-K) finalist. Skilled in financial analysis, process improvement, IT, and project management, she has served in key leadership roles including Chief Finance Officer at Dittman Construction Co. Ltd., Director at Limucon Ltd., and Chair of the Finance Committee at Pemwai Girls. Her broad expertise makes her a valuable contributor in both financial and business environments.</p>
<p>7.</p>	 <p>Designation: Member Name: Franklin N. Mukuna Profession: Educationist</p>	<p>Franklin N. Mukuna, born on June 15, 1970, currently represents the Principal Secretary in the State Department for TVET. He holds a Master's degree in Religion from Maseno University, a Bachelor's degree in Education (Arts) from Moi University, and is pursuing two PhDs—one in Religion at Maseno University and another in Education (Qualifications Sector) at Mount Kenya University.</p> <p>He is the Deputy Director–TVET deployed to the Kenya National Qualifications Authority (KNQA), where he serves as Acting Deputy Director in charge of Registration, Accreditation, and Documentation (RAD). He previously served as Principal Quality Assurance and Standards Officer in the Ministry of Education and as a graduate teacher under the Teachers Service Commission.</p>
<p>8.</p>	 <p>Designation: Member Name: Luka Kipyegen Profession: Administrator</p>	<p>Luka Kipyegen, born on November 24, 1965, is an experienced administrator with a strong background in public service and strategic management. He holds an MBA in Strategic Management from Kenya Methodist University, a Postgraduate Diploma in Project Planning and Management from the Catholic University of Eastern Africa, and a Bachelor of Arts in Business Administration from Baraton University.</p> <p>He currently serves as Deputy Director of Administration in the Baringo County Government. His previous roles include Sub-County Administrator in Nakuru County, Assistant Registrar and Resource Mobilization Officer at Kabarak University, and Liaison Officer and Administrative Officer at Kerio Valley Development Authority (KVDA). A member of the Kenya Institute of Management, Luka has undertaken various management courses, including the Strategic Leadership Development Programme (SLDP), Senior Management Course (SMC), and training in ISO 9001:2008 Quality Management Standards</p>

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9.	 Designation: Principal Name: Isaac Bwambok Profession: Building & Civil Engineer	Isaac Bwambok was born on 28th February, 1967. He holds Bachelor's degree in Technology Education from Moi University, School of Education Technology. He has wealth of experience in Educational Administration Management and over 25 years' experience in Technical, Vocational Education and Training (TVET) sector.
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4. Key Management Team

S/N	Member's Name	Brief Description
1.	 <p>Designation: Principal Name: Isaac Bwambok</p>	<p>Principal Personal number 1996123456</p> <p>Isaac Bwambok holds Bachelor's degree in Technology Education from Moi University, School of Education Technology. He has wealth of experience in Educational Administration Management and over 25 years' experience in Technical, Vocational Education and Training (TVET) sector</p>
2.	 <p>Designation: Deputy Principal Administration Name: Robert Chesire</p>	<p>Deputy Principal (Administration) Personal Number 2002078071</p> <p>Robert Chesire holds Bachelor of Arts Degree in Education (Accounting & Mathematics) from UON and Dip in HRM from Kenya Institute of Management. He has over 21 years of teaching experience.</p>
3.	 <p>Designation: Deputy Principal Academics Name: Patricia Kipsang</p>	<p>Deputy Principal (Academics) Personal Number 2013114162</p> <p>Patricia Kipsang holds a Bachelor of Science degree in Clothing, Textiles, and Interior Design (CTID) and a Postgraduate Diploma in Education. She has 13years of teaching experience in TVET. Additionally, she has completed a Diploma in Education Management from the Kenya Education Management Institute (KEMI) and is currently pursuing a Master of Science in Education Management.</p>

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4	 <p>Designation: Registrar Name: Clement Cheruiyot Tison</p>	<p>Registrar Personal Number 1994074745</p> <p>Clement Cheruiyot Tison holds a Master's degree in Economics and is a final-year PhD student in Economics at Moi University. He has a cumulative experience of 31 years in microfinance, high school teaching, and TVET training.</p>
5	 <p>Designation: Dean of students Name: Rufus Muriuki</p>	<p>Dean of Students Personal Number 1998045873</p> <p>Rufus Muriuki holds Diploma in Technical Education accounting option. He is the Dean of Students in appointment on acting capacity. He has 17 years' experience in Technical, Vocational Education and Training (TVET) sector</p>
6.	 <p>Designation: Finance Officer Name: CPA Rebecca Chelanga</p>	<p>Finance Officer Personal Number: BTC2013004</p> <p>CPA Rebecca Chelanga holds a Bachelor of Commerce Degree (Finance Option) from Egerton University, CPA (K) holder and a member of ICPAK, Institute of Internal Auditors of Kenya (IIAK) and the Association of Women Accountants of Kenya (AWAK). A holder of certificate in Senior Management Course (SMC) from School of Government Baringo campus. She is Currently pursuing an MBA degree programme at Kabarak University. She has over 20years' experience in Accounting and Finance field.</p>

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7.	 Designation: Senior Supply Chain Officer Name: Robert Chirchir	Senior Supply Chain Officer Personal Number: BTC2015007 Robert Kiprop Chirchir holds a Bachelor of Business Management (Procurement Option). He is a member of KISM; has 10years' experience in procurement practice.
8.	 Internal Auditor CPA Elijah Koech	Internal Auditor Personal Number: BTC2021044 CPA Elijah Koech holds a Bachelor of Business Administration (Finance Option) from Jomo Kenyatta University of science and Technology, CPAK and Certified Credit Professional (CCP IV). He is a member of Institute of Internal Auditors (IIAK) and a member of ICPAK. He has 13 years' experience in accounting and audit practice
9.	 Senior Human Resource officer Reuben Chepsigot Kangogo	Senior Human Resource Officer Personal Number: BTC2018016 Reuben Chepsigot Kangogo, is the Acting Senior Human Resource Officer. He holds a Bachelor's Degree in Information Technology from Kenyatta University, along with a Higher National Diploma and Diploma in Human Resource Management from Bartek Institute. He is certified in Competency-Based Assessment and CCNA (Levels I-IV), and is a registered member of both the Institute of Human Resource Management (IHRM) and the Computer Society of Kenya (CSK).

5. Chairperson’s Statement



On behalf of the Governing Council, Baringo National Polytechnic,

I am honoured to present the Annual Financial Statements and Report for the year ended 30th June 2025. The 2024–2025 financial year was a period of commendable progress for the Polytechnic, marked by improved financial and operational performance, as well as notable expansion in infrastructure and facilities.

The institution experienced a significant enrolment increase, admitting an additional 1800 trainees. This positive trend was supported by enhanced government support, centralized placement through the Kenya Universities and Colleges Central Placement Service (KUCCPS), the Baringo Central NGCDF, strong community engagement, and the dedicated efforts of our marketing and outreach team.

Significant infrastructure improvements at the institution included grading the playing field, constructing a modern gate, building a new Building and Civil Engineering (BCE) workshop, and renovating the kitchen. These upgrades were achieved through internal resource mobilization and strategic partnerships with the Master Card Foundation, Colleges and Institutes Canada (CICan), and Kenya Commercial Bank – Kabarnet Branch.

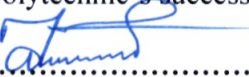
However, the Polytechnic continues to grapple with infrastructural constraints. Currently, operations are heavily reliant on temporary structures and a single-storey tuition block, which are inadequate for our growing student population. There is an urgent need for a modern multi-storey tuition block, a dedicated administration block, and expanded departmental equipment to support quality training and academic growth.

Future Outlook

The future of Baringo National Polytechnic is promising. We project student enrolment to rise to 10,000 in the upcoming financial year. Plans are underway for the construction of new tuition and administration blocks, paving of internal roads and walkways, and accelerating the completion of ongoing infrastructure projects. The construction of a modern gate and the procurement of a standby generator were some of the key projects successfully completed in the year under review.

To achieve our long-term goals, we will pursue increased government funding, modern training equipment, refurbishment of workshops, and strengthened partnerships to drive our growth and development agenda.

In conclusion, I wish to express my heartfelt appreciation to the Governing Council, Principal, management, staff, and students for their unwavering dedication and contribution to the Polytechnic’s success in the 2024–2025 financial year.


.....

Dr. Marycent Yator
Chairperson of the Council

Baringo National Polytechnic
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6. Report of the Principal



It is with immense pride and great joy that I welcome you all to this momentous occasion as we celebrate our first anniversary elevation to National Polytechnic status. This significant achievement marks a new chapter in our journey and stands as a testament to our unwavering commitment to excellence in Technical and Vocational Education and Training.

First and foremost, I would like to extend my heartfelt gratitude to the Ministry of Education State Department for TVET and all regulatory bodies for recognizing our efforts and bestowing upon us this prestigious status. Your support and guidance have been instrumental in helping us reach this milestone.

I would also like to acknowledge and thank our dedicated Governing Council, Management and staff whose hard work, dedication, and innovative spirit have played a crucial role in our success. Your commitment to providing high-quality education and training has laid a solid foundation

During the year 2024/2025, the Curriculum and Occupation Standard Development Unit advanced Polytechnic's mandate by modularizing 192 curricula across 12 trades and rolling out 46 programs. Our Staff were trained on competency-based approaches, and 12 new market-driven courses were approved by TVETA to boost youth employability and align with national development goals our growth and development.

To our industry partners and community stakeholders, we express our sincere appreciation for your continuous support and collaboration. Your contributions have enriched our programs and provided invaluable opportunities for our students.

During the 2024/2025 financial year, Baringo National Polytechnic underwent a leadership transition on 14th January 2025, when Mr. Isaac Bwambok officially took over as Principal following the retirement of Mr. Josphat Kipkemboi.

The Polytechnic demonstrated outstanding leadership in applied research in 2025, earning national and continental recognition for its innovative water management project. The institution was named 1st runners-up in the Public Service Innovation Competition during Africa Public Service Day (APSD) in Kenya and advanced to the continental stage in Addis Ababa, where the project received high-level endorsements.

Additionally, the Polytechnic was ranked second at the Young Africa Works TVET Partners Forum in Mombasa for the same project. These achievements reflect the institution's strong focus on climate-smart innovation, youth skills development, and sustainable solutions, reinforcing its role as a model of excellence in TVET education

During the 2024/2025 financial year, Baringo National Polytechnic signed four key MOUs with strategic partners to enhance its TVET mandate in line with Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA). The partnerships focus on industrial attachments, job placement, research and innovation, curriculum development, dual training, and Recognition of Prior Learning (RPL). These collaborations aim to improve skills

Baringo National Polytechnic
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development, graduate employability, and industry alignment, reaffirming the Polytechnic's commitment to national development and youth empowerment.

In partnership with HOPES Kenya, the Polytechnic successfully deployed 30 Agriculture students to the United Kingdom for a six-month industrial attachment from June to December 2024. The students, drawn from various agriculture-related departments, gained hands-on experience in mechanized farming, greenhouse operations, sustainable production, and farm management. All completed the program successfully and have been invited for further training in 2025; 10 trainees have already returned to the UK, while the remaining 20 trainees are finalizing travel arrangements.

The fish farming project, initiated by the Agriculture Department, continues to serve as both a practical training platform for students and an income-generating venture. The current stock is anticipated to mature and yield revenue in the upcoming financial year.

The Dean's Office participated in a range of co-curricular and sporting activities throughout the year. In the National Music Festivals at Moi Girls, Eldoret, the institution attained top positions in various categories, with Keiyo Fork song securing position 2 and several other performances ranking within the top 15 nationally. In sports, the volleyball team played friendly matches and performed well in tournaments, including a 2nd-place finish at the National Ball Games and winning the Koshin TTI Tournament. The football teams also had a strong showing that was highlighted by a 9-0 win in the FKF Women's Regional League and competitive draws in other matches.

During the North Rift Regional Athletics, the men's team excelled, winning in shot put, discus, and table tennis doubles, although the team did not progress in the national championships. The institution's overall participation demonstrated strong performance and commitment to co-curricular excellence.

The report also details the Polytechnic's financial performance during the year, which shows a financial state of good health. The good performance of the Polytechnic is attributed to the commitment and dedication of staff who worked tirelessly to support management in achieving College objectives. Within the year a lot of support was received from the government, sponsors, and other stakeholders.

As we move into the financial year 2025-2026, we strive to better our performance. Below is a description of our activities in the financial year 2024-2025:

Administration

As at 30th June 2025, the Polytechnic had a total enrolment of 3,252 trainees. This marks a 7.2% decline from the previous year's 3,505 trainees, largely due to the tough economic conditions nationwide. The Polytechnic will continue to play a key role in providing a responsive and supportive learning environment. A breakdown of enrolment by department is provided in the table below.

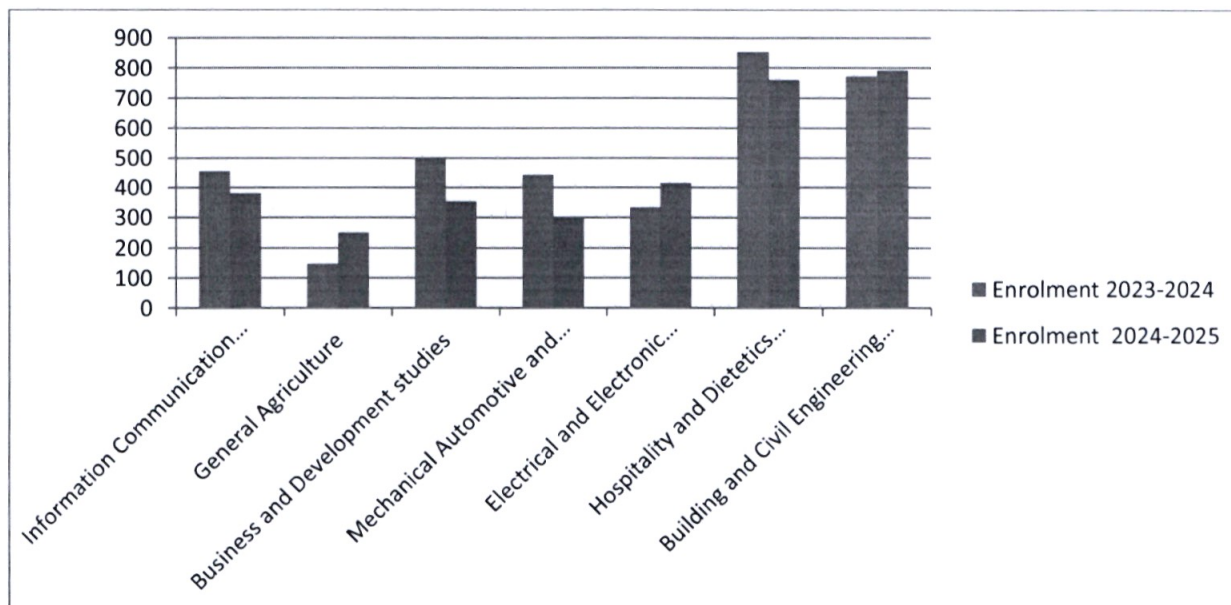
Serial Number	Department	Enrolment 2023-2024	Enrolment 2024-2025
1	Information Communication Technology	455	381
2	General Agriculture	147	250
3	Business and Development studies	501	353
4	Mechanical Automotive and Petroleum Geo-science	443	300
5	Electrical and Electronic Engineering	333	415

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6	Hospitality and Dietetics Management	853	761
7	Building and Civil Engineering Department	773	792
	Total	3505	3252

Analysis of Enrolment per Department



Examination Performance

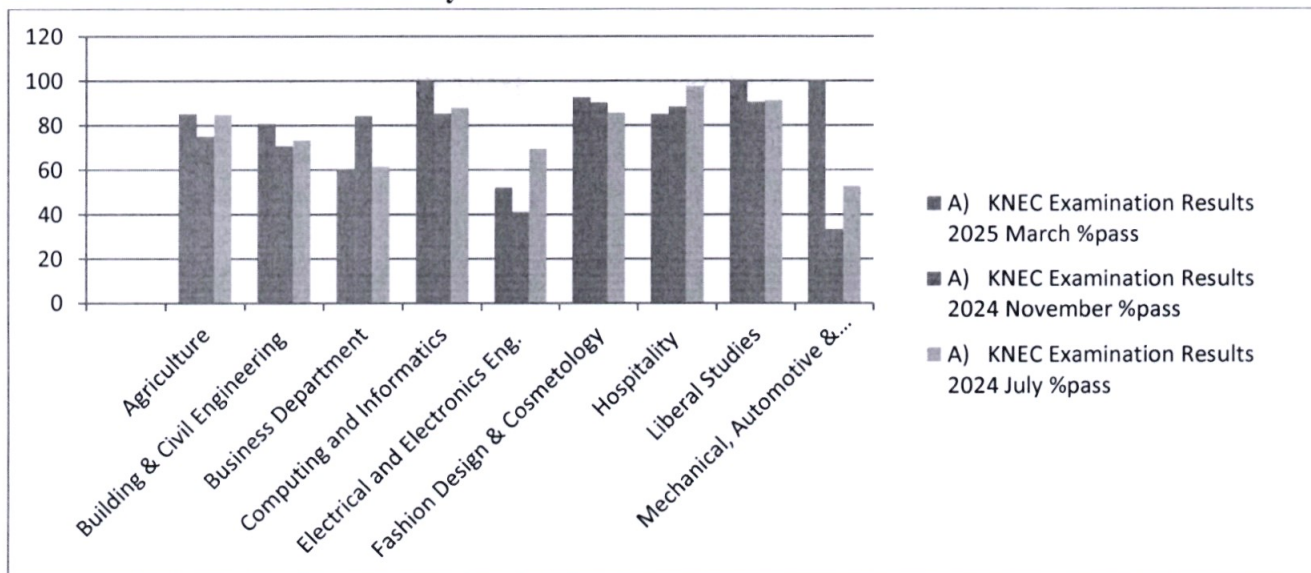
The data below summarizes the overall performance of the institution in the Kenya National Examinations Council (KNEC) and TVET CDACC assessments for the 2024–2025 financial year

(a) KNEC Examination Results

Department	2025 March			2024 November			2024 July		
	Candi dates (No.)	pass	%pass	Candi dates (No.)	pass	%pass	Candi dates (No.)	pass	%pass
Agriculture	20	17	85	28	21	75	59	50	84.74
Building & Civil Engineering	26	21	80.76	51	36	70.59	123	90	73.17
Business	5	3	60	19	16	84.21	13	8	61.53
Computing and Informatics	13	13	100	27	23	85.18	75	66	88
Electrical and Electronics Eng.	25	13	52	34	14	41.17	49	34	69.38
Fashion Design & Cosmetology	39	36	92.30	40	36	90	35	30	85.71
Hospitality	33	28	84.85	34	30	88.23	41	40	97.56
Liberal Studies	18	18	100	21	19	90.47	34	31	91.17
Mechanical, Automotive	7	7	100	21	7	33.33	51	27	52.94
Total	186	156	83.87	275	202	73.45	480	376	78.33

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KNEC Examination Results Analysis

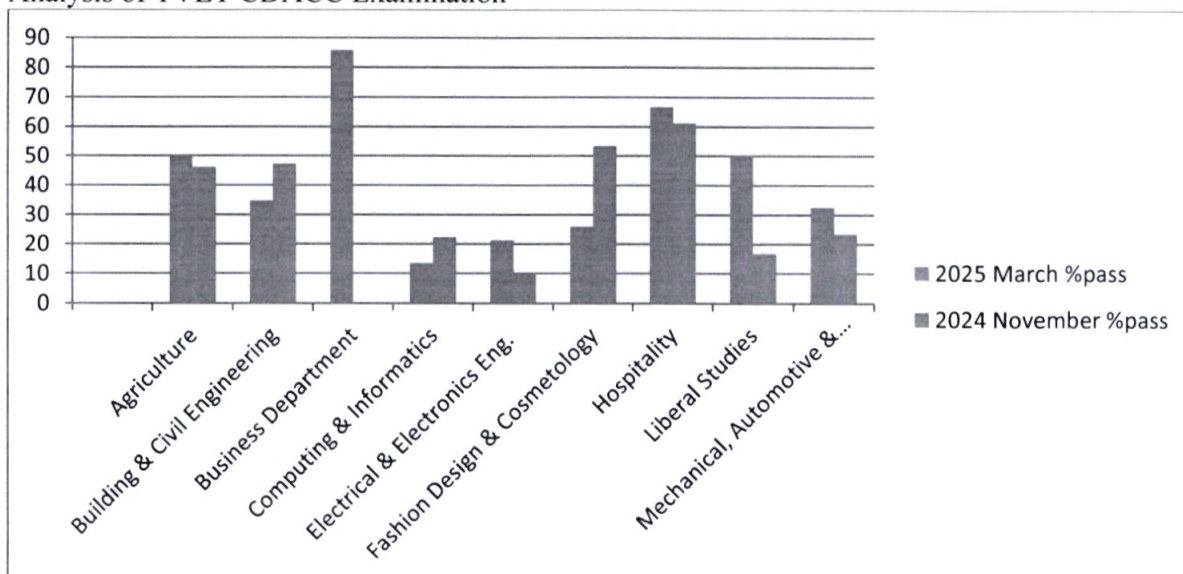


b) TVET CDACC Examination Analysis

Department	2025 March			2024 November		
	Candidates (No.)	pass	%pass	Candidates (No.)	pass	%pass
Agriculture	30	15	50	26	12	46.15
Building & Civil Engineering	101	35	34.65	121	57	47.11
Business Department	21	18	85.71	0	0	0
Computing & Informatics	97	13	13.40	54	12	22.22
Electrical & Electronics Eng.	52	11	21.15	49	5	10.20
Fashion Design & Cosmetology	31	8	25.80	45	24	53.33
Hospitality	51	34	66.67	54	33	61.11
Liberal Studies	16	8	50	12	2	16.67
Mechanical, Automotive & Petroleum	37	12	32.43	30	7	23.33
Total	436	154	35.32	391	152	38.87

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Analysis of TVET CDACC Examination



Staff Establishment

Currently the Polytechnic has a staff establishment of 187 of which 78 are trainers employed by the Public Service Commission, while 58 are trainers and 51 essential staff employed by the Governing Council as tabulated below.

Serial Number	Classification of the staff	Total Number of staff
1	Public Service Commission staff	78
2	Governing Council trainers	58
3	Governing Council Essential staff	51
	Total	187

Revenue Collection

During the financial year 2024–2025, the Polytechnic had set a revenue target of **Kshs 320,153,433**. However, the actual amount collected was **Kshs 231,622,373**. The shortfall in revenue is primarily attributed to unremitted capitation funds.

Expenditure Analysis.

In the financial year 2024–2025, the Polytechnic was unable to fully achieve its objectives due to insufficient funding. Total expenditure for the year amounted to **Kshs 211,181,310** with the largest portion allocated to the procurement of goods and services. This category primarily included training and examination materials for trainees.

Infrastructure and Development Initiatives

In the 2024–2025 financial year, the Polytechnic implemented several strategic development projects through partnerships with key stakeholders. In collaboration with the County Government of Baringo, the institution graded its field to foster both internal and external sporting activities and procured fingerlings to advance sustainable aquaculture practices. Additionally, with partnership from KCB Kabarnet Branch, the Polytechnic successfully completed the construction of its main entrance structures. To enhance operational efficiency, a standby generator was also acquired.

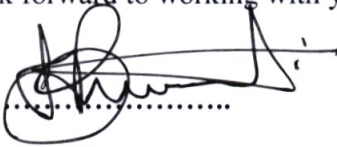
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Looking Ahead

As we chart the path ahead, we remain focused on building upon our achievements while proactively addressing emerging challenges. Our strategic priorities will center on strengthening academic excellence, advancing research and innovation, and nurturing an inclusive, student-centered learning environment. We will continue to embrace creativity, partnerships, and forward-thinking solutions to realize these goals.

In closing, I extend my sincere appreciation to the Governing Council, Management Team, staff, Trainees and all our stakeholders. Your unwavering dedication and collaboration have been instrumental in driving our progress. With your continued support, we are confident in our ability to sustain excellence and position Baringo National Polytechnic as a hub of knowledge, growth, and innovation.

I look forward to working with you in the upcoming financial year and beyond.

.....


Isaac Bwambok
Principal/Secretary to the Council



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7. Statement of Performance against Predetermined Objectives

Baringo National Polytechnic has five strategic pillars /issue's/ themes and objectives within current Strategic Plan for the 2023-2027. These strategic pillars are as follows:

- (1) Quality and Relevant TVET Programs
- (2) Research and Innovation
- (3) Infrastructural development
- (4) Resource mobilization
- (5) Environmental management

Baringo National Polytechnic develops its annual work plans based on the above five pillars. Assessment of the Council's performance against its annual work plan is done on a quarterly basis. The Baringo National Polytechnic achieved its performance targets set for the FY 2024-2025 period for its three (3) strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Strategy Issue 1 Quality and relevant TVET programs	SO1:1 Ensure curricula is dynamic and responsive to industries needs SO1:3 Increase trainee enrolments SO1:2:1 strengthening partnership with industries	CBET courses implemented Increase in enrolment Partnerships established	Implementation of CBET courses Strengthening marketing outreach Negotiating and establishing partnerships	86 CBET courses Implemented Three MOUs for partnership signed
Strategy Issue 2 Institutionalization of research and innovation	SO2:1 To institutionalize effective research and innovation	Participation in research and innovation	Innovations showcased at public service day and Africa service day at AU Ethiopia	Awarded position 2 and position 2 award by the donor Harvesting running water done
Strategy Issue 3 Infrastructural development	SO3:1 Modernize and equip institution facilities SO3:2 To create recreational facility	Construct modern gate Installation of CCTV Tilling of the Lecture rooms Build playfield	Construct a modern gate NO. of CCTVs installed Tilling of lecture rooms Levelling and Grading of the playfield	modern gate completed 40 CCTVs installed 22 lecture rooms tiled Levelling and grading done to 95%

8. Corporate Governance Statement

The current Governing Council were appointed into office on November 7, 2023, and upon appointment immediately took charge of their mandate to steer the Polytechnic forward through application of best governance practices and standards.

The Governing Council have been forging a united front in confronting challenges facing the institution since inception in 2013 and then grew consistently.

One of the core values is effective corporate governance. There are benefits of a properly implemented effective corporate governance system as it enhances stakeholder confidence.

The Polytechnic has built its operations on very strong corporate governance principles based on the application of high and consistent ethical standards in her relationships with all customers, employees, and other stakeholders. This is consistent with the institutions core values of effective corporate governance that has led to a strong commitment to conduct business in accordance with best business practices based on principles of transparency, accountability, and responsibility, monitoring compliance with relevant laws and regulations, risk management, appropriate checks and balances and the delivery to commitments to all stakeholders.

Ethical leadership and integrity, socio-environmental responsibility and determination of group strategy are the key principles that are considered while setting governance standards for the group. The Polytechnic has kept abreast with international developments in corporate governance for the promotion of enhanced transparency, integrity, and rule of law.

The Governing Council is the representative of the stakeholders and has the duty of validating financial results and the review of college performance, protecting assets, counselling the chief executive officer on strategy, and nurturing the next generation of leaders. The Council is responsible for ensuring proper and sound corporate governance within the College. Good corporate governance is therefore a fundamental part of the culture and the business practice of the Polytechnic.

THE COUNCIL CHARTER

Rationale for and the objective of the Council Charter

In order to become a world class centre of excellence in cutting edge technologies, the BNP subscribes itself to a holistic application of the applicable provisions of the constitution and the laws of Kenya including the principles of good governance. This Council Charter is envisioned as the roadmap through which the tenets of Corporate Governance will be practiced by the Council and its members acting collectively and individually.

Council members ascribe to this Charter as a sign of their total commitment to uphold good governance in all of their undertakings. The objective of this Charter is to provide all Council members a top level policy document designed to guide and direct them as they undertake their roles, duties and responsibilities. It highlights the various legislations and regulations that govern their conduct while transacting business on behalf of the Polytechnic. It is a hand book for quick reference by members to ensure that the principles of Corporate Governance are applied in all undertakings in respect of the Polytechnic.

The Composition of the Council

As provided in Part III clause of Legal Notice No 17. known as Baringo National Polytechnic Order of, the Council shall consist of nine persons appointed by the Cabinet Secretary as follows:

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Chairperson;

- a) The Principal Secretary in the Ministry for the time being responsible for the Technical And Vocational Education And Training;
- b) The Principal Secretary in the Ministry for the time being responsible for Finance;

Five members appointed by the Cabinet Secretary on the basis of their knowledge and experience in either-

- (i) leadership and management;
 - (ii) financial management;
 - (iii) industry;
 - (iv) engineering;
 - (v) information communication technology; or law, and
- c) The Principal, who shall be an ex officio member of the Council.

Purpose and Role of the Council

The Council is wholly responsible for ensuring that the business of the Polytechnic remains a growing concern. It will maintain full and effective control over the Polytechnic plans, programs and activities, including but not limited to formulating appropriate policies to direct and guide management action and to ensure its active involvement in all material decisions affecting the Polytechnic.

In line with Section 3 of the Leadership and integrity Act No. 19 of 2012 of the Laws of Kenya, the Council shall respect the national values and principles in the Constitution and laws of Kenya, including;

- a) The national values and principles provided in Article 10 of the Constitution;
- b) The rights and fundamental freedoms provided for under Chapter 4 of the Constitution;
- c) The responsibilities on leadership and integrity as provided in Chapter 6 of the Constitution; and
- d) The principles governing the conduct of State officers provided for under Article 75 of the Constitution.
- e) The principles of public Finance provided in chapter 12 of the constitution
- f) The principles of Public Service provided in Article 232 of the Constitution

Functions of the Council

- a) The BNP Order in clause Provides that all documents, other than those required by law to be under seal, made on behalf of the Council, and all decisions of the Council may be signified under the hand of the Chairperson, the Principal or any other members of the Council generally or specifically authorized by the Council on its behalf.
- b) The Council shall ensure that a proper management structure is in place and make sure that the structure functions to maintain corporate integrity, reputation and responsibility.
- c) The Council shall monitor and evaluate the implementation of strategies, policies, and management criteria and plans of the National Polytechnic.
- d) The Council shall constantly review the viability and financial sustainability of the National Polytechnic once every year.
- e) The Council shall ensure that the National Polytechnic complies with all the relevant laws, regulations, governance practices, accounting and auditing standards.

The Chairperson

- a) The Chairperson of the Council shall be appointed in accordance with the provisions of The TVET Act No 29 of 2013; Subject to the provision of the BNP Legal Order, the Chairperson of Council shall hold office for a term of three (3) years, and shall be eligible for re-appointment for a further one term.
- b) Provide overall leadership to the Council.
- c) Play a key role in setting the agenda for the Council meetings.
- d) Conduct efficient Council meetings and guide the Council's decision-making process.
- e) Encourage Council members to participate fully in Council deliberations.
- f) Harness the collective skills of the Council and its committees.
- g) Lead the Annual Council Evaluation Process.
- h) Monitor and evaluate the performance of the Principal, Deputy Principals and other Senior Management Staff.
- i) The Chairperson shall chair Council meetings and shall not be a member of any Council Committee other than where an appropriate ad hoc committee is set up.
- j) The Chairperson of Council shall enjoy such powers and privileges as may be determined from time to time.
- k) Maintain close, but independent working relationship with the Principal.
- l) Ensure appropriate balance of power between the Principal and the Council.
- m) Promote a positive image of the Polytechnic.
- n) Encourage a culture of transparency and teamwork among Council members.
- o) Act as an informal link between the Council and stakeholders.
- p) Ensure proper conduct of the business at all meetings, facilitate fair and effective participation by all members, take appropriate advice and make prudent judgment on issues laid before the Council.
- q) Provide quarterly updates on governance matters and any issues thereof to the responsible Cabinet Secretary and SCAC.

The Chief Executive Officer

- a) In accordance with the section 30 (1) TVET Act 29 there shall be a Principal of the Polytechnic who shall be appointed by the Cabinet Secretary.
- b) In accordance with clause the Principal shall be the Chief Executive Officer (CEO) of the National Polytechnic and shall —
 - i. Be the Secretary to the Council;
 - ii. Be the academic and administrative head of the National Polytechnic;
 - iii. Have overall responsibility of the direction, organization, administration and programmes of the National Polytechnic; and
 - iv. Have such powers and duties as may be provided by any written law.
- c) **Generally, it is expected that the CEO will be**
 - i. The link between the Council and the staff with respect to the Polytechnic's governance and management functions and will administer the day-to-day business of the Polytechnic on delegated authority and as guided by the Council.
 - ii. Responsible to the Council for the overall performance of the Polytechnic and lead in the effective implementation of the policies and strategies adopted by the Council.
 - iii. Accountable to the Council for the achievement of the Polytechnic Vision, Mission, Goals and Objectives.
 - iv. Managing the Polytechnic's businesses within the strategy framework, plans and policies as approved by the Council; ensuring that the assets of the Polytechnic are adequately utilized, maintained and protected.

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Relationship between the Chairperson and the Chief Executive Officer

- a) While the Chairperson shall be responsible for providing leadership to the Council, the Chief Executive Officer shall take control of directing the day-to-day business strategy of the Polytechnic within the policy framework provided by the Council.
- b) The CEO will keep the Chairperson fully informed of all important matters of the Polytechnic and the Chairperson in return will be readily available to provide counsel and advice to the CEO as called upon or when deemed appropriate to do so.
- c) The Council will be responsible for policy formulation and follow up on implementation while the CEO will take all necessary measures to spearhead and oversee effective policy implementation.

Term of Office for Council Members

As per the Second Schedule of the TVET Act, a Council members shall hold office for a period of three (3) year and shall be eligible for re-appointment for a second and final term of three (3) years.

Induction of New Council members

- a) On appointment, Council members will undergo an appropriate induction programme to deepen their understanding of the Polytechnic and its business environment and markets. This includes free and full access to background materials, data and information on the Polytechnic, meetings with Management, courtesy calls to relevant Government Ministries, Departments and Agencies, visits to affiliated bodies and Polytechnic's facilities. New Council Members will be entitled to request for any information about the Polytechnic.
- b) The Principal and the Chairperson will ensure that appropriate package of information is provided as part of the induction programme to ease the integration of Council members into the Polytechnic fraternity. This will entail detailed written information about the Polytechnic, its history and operations, copies of policies, rules and procedures and the prevailing Strategic Plan.
- c) Upon completion of the induction programme each Council Member shall be issued with a Certificate of Participation.
- d) Upon successful completion of induction every Council Members shall be issued with a copy of the Code of Ethics, Public Officers Ethics Act 2003 and a copy of the Council Charter and shall append their signatures to a Code of Ethics Form specifically designed for that purpose and sign the oath of secrecy.
- e) No Council Member shall sit at a Council meeting or transact any business on behalf of the Council before ascribing to the Code of Ethics.
- f) The Secretary to the Council through the Chairperson shall be the sole custodian of all documents pertaining to Council induction.

Council Training and Development

- a) The Principal in consultation with the Chairperson shall ensure that Council Members receive continuing professional education to keep them informed and updated on professional, TVET and industry trends.
- b) The Principal in consultation with the Chairperson shall ensure that there is an Annual training and development program in place for Council Members as part of capacity building.
- c) All Council and Committee Members shall undertake an approved Corporate Governance course specifically designed for them. It is mandatory for all Council members to attend scheduled trainings and development programs.

Council Assessment and Evaluation

Council and Council Committee performance assessment and evaluation have become imperative not only as strategic management and decision-making tools but as a toolkit to benchmark on best practice in governance hence:

- a) The Council will conduct a self-assessment or self-evaluation annually. The Council may use external professionals to undertake Board assessment and evaluation as may be deemed appropriate.
- b) The Chairperson and the Council Members may assess and evaluate one another collectively but alternately. A Council member shall not participate in his own assessment including the Chairperson who shall be assessed and evaluated by the Council Members. Alternatively, the Chairperson and the Council Members may be individually assessed and evaluated by an independent third party.
- c) The Chairperson and Council members will evaluate the performance of the CEO.
- d) The Chairperson shall provide each Council Member and the CEO with a confidential report of his/her performance.
- e) The Chairperson and the Council shall not endorse the re-appointment of any person whose performance is adjudged below the set threshold.

Council Fees and Allowances

Council Members shall receive such fees and allowances as may be determined in a resolution of the Council in consultation with the Principal Secretary State Department of Vocational and Technical Training, or as may be authorized in approved guidelines issued by State agencies like the Salaries and Remuneration Commission (SRC) or State Corporations Advisory Committee (SCAC) or Head of Public Service.

Council Meetings

- a) The Chairperson of Council shall preside over Council meetings when present. In his/her absence the members present shall elect one of their own to preside over the meeting except that the Principal shall not be appointed by the members present to preside at meeting of the Council. Such a Member shall enjoy all the powers and privileges vested on the Chairperson including having a casting vote in case of a tie of votes.
- b) The Principal shall be the Secretary to the Council and will issue notices of meetings in consultation with the Chairperson of Council. The Principal shall receive and record all apologies before the meetings are held.
- c) The Council shall exercise prudent leadership, innovative enterprise and good judgment in directing the Polytechnic and shall exercise the duty of skill and care in the best interest of the Polytechnic.

General Provisions

- a) The Council shall meet as often as necessary for the transaction of business, but not more than four months shall elapse between the date of one meeting and that of the next meeting.
- b) The Chairperson may at any time, and shall upon written request by a majority of the members, call a special meeting of the Council.
- c) The Chairperson shall preside at every meeting of the Council at which he is present, but in the absence of the Chairperson the members present may elect one from among their number to preside.
- d) A member who has a direct or indirect interest in a matter being considered or to be considered by the Council shall, as soon as the relevant facts regarding the

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matter come to knowledge of the member, disclose the nature of such interest, and shall not be present during any deliberations on the matter.

- e) The Council shall cause the minutes of all proceedings of its meetings to be recorded and kept, and shall be signed by the chairperson or the person presiding at the meeting.
- f) Save as provided for in this Order, the Council may regulate its own procedure.

Participation

- a) Council members will use their best endeavours to prepare adequately and attend Council meetings.
- b) Council members shall bring the benefit of their technical knowledge, professional skills and abilities through active, frank and constructive participation in Council discussions and other Polytechnic activities.
- c) Council members who are unable to attend Council meetings shall send their apologies prior to the meeting to the Secretary to the Council. A Council Member who is without apologies for three (3) consecutive Council meetings shall tender a written explanation to the Chairperson, who shall subsequently table it for discussion at a full Council Meeting. The Council decision on action to be taken on such a member shall be duly minute and communicated to the member in writing within seven (7) working days, with a copy to the appointing Authority. The decision of the Council which may include inter alia recommendation for removal from the Council shall be final.
- d) The CEO shall attend Council meetings as an ex-officio member.
- e) The CEO with the approval of the Chairperson may invite technical staff or any other persons whose services, knowledge and skill are deemed significant for a Council decision, to attend particular sessions of the Council meetings.
- f) Attendance and active participation in Council Meetings shall be a key factor in Council Members performance assessment and evaluation.

Frequency

The Council shall hold meetings at least four (4) times annually on a quarterly basis, in accordance with the calendar of meetings approved by Council, provided that: -

- a) The Principal may in consultation with the Chairperson call special meetings when need arises;
- b) Such special meetings shall not exceed in number the scheduled Council Meetings;
- c) Any two or more Council Members may requisition for a Special Council meeting, which shall be called within seven days upon receipt of the request;
- d) Otherwise, the special meetings called by the Chairperson shall be served the normal notice period of Council meetings or such other notice period as may be generally and unanimously agreed by the Council.

Venue

Meetings of the Council shall be held within the Polytechnic or in other place as may be approved by the Cabinet Secretary. The meetings may also be virtual through the use of technology and as may be guided by the national government.

Notice Period

Council meetings shall be called at least seven (7) days to the meeting. The notices of the meetings shall be accompanied by copies of the minutes of the previous meeting(s), agenda and Council papers and notes for discussion.

Agenda and Meeting Papers

The Secretary to the Council in consultation with the Chairperson shall finalise the agenda and meeting papers for circulation within the stipulated notice period.

Quorum

The quorum for a meeting of the Council shall be, for a nine-member council, seven members who shall include five appointed members.

Voting at Council Meetings

Unless a unanimous decision is reached, a decision on any matter before the Council shall be made on the basis of a simple majority of the members present, and in the case of an equality of votes, the chairperson or person presiding shall have a casting vote.

Minutes

- a) The Principal will attend all meetings of the Council and as the Secretary to the council shall cause the proceedings of the meetings to be recorded and minutes prepared accordingly. The minutes shall be finalised by the Secretary to the Council in consultation with the Chairperson of a meeting and circulated to all Council members at least not later than twenty-one (21) days after the meeting.
- b) The minutes of Council Meetings shall be kept by the Secretary to the council and shall be confirmed, subject to any amendments at a subsequent meeting.

Council Committees

Council Secretariat

The CEO as guided by the Council shall establish Council Secretariat to coordinate the Council programs and activities and to ensure timely completion and dispatch of Council meeting papers.

Council Committees

- a) The Council shall establish Standing Council Committees to support its work towards effective and efficient delivery of its roles and mandate as guided by their Terms of Reference.
- b) The Council Committees will be expected to act within the limits set by the Council and can be reviewed from time to time.
- c) All the Council Committees shall be chaired by a designated Council Member for purposes of reporting to the Council.
- d) The Council Chairperson shall not be eligible to sit in any Council Committee except where appropriate an ad hoc Committee, which he/she shall preside over as the Chairperson.
- e) The following shall be the Standing Council Committees whose terms of reference shall be as provided in their respective Charters:
 - i. Audit and Risk Management Committee
 - ii. Academic, Human Resource & Welfare Committee
 - iii. Finance and Infrastructure Committee
- f) The Council may from time to time establish ad hoc Council committees for the purpose of carrying out agreed mandates for a limited period of time.

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Co-option of Council Committees

Membership to the Council Committee shall not exceed five (5) members from among the Council Members. Senior management with the relevant technical expertise may participate in the council committees as may be required. The CEO shall attend Committee meetings as an ex-officio member except for the Audit, Risk and Management Committee where the Head of Internal Audit shall sit and act as the Committee Secretary. In order to enhance its efficiency and service delivery, the Council will allow the Committees to co-opt persons with special skills into membership of the Committees.

Council Committee Charters

The Council Committees shall conduct their business in accordance to the committee charters approved by the full Council.

Conflict of Interest

- a) Council members and officers of the Polytechnic have both a common law duty to avoid any conflict of interest and to act in the best interest of the Institution at all times. All Council members and the CEO shall declare vested interests in any Council proceedings and this shall be a standing agenda item for Council meetings.
- b) If a Council member or a member of senior management has a conflict of interest in any contractual undertakings with the Polytechnic, they shall disclose it and have it recorded by the Secretary to the Council and reported in the minutes of the meeting.
- c) Where a conflict of interest exists, the concerned Council member or member senior management shall excuse themselves from adjudicating on the matter and shall not be involved in managing or monitoring the contractual undertaking in question.
- d) The Council Chairperson shall cause to be opened a Register of Conflict-of-Interest Register.

Gifts, Hospitality and other Benefits

- a) Council members shall not accept any gifts, hospitality or other benefits that may have a real, apparent or potential influence on their objectivity in carrying out their official duties and responsibilities or that may place them under obligation to the donor.
- b) As a general rule, Council members should not accept gifts or other advantages except as set out in the Public Officer Ethics Act, 2012 and any other relevant legislation and policies.
- c) The Council Chairperson shall cause to be opened a Register of benefits, gifts, tokens and donations received by the Council and Committee members in the course of their duties.

Solicitation

- a) With the exception of fundraising for officially supported activities such as those relating to corporate social responsibility, Council members may not solicit gifts, hospitality, other benefits or transfers of economic value from any person, group or company who has dealings with the Polytechnic. When fundraising for supported official activities,
- b) Council members should ensure they have prior written authorization from the relevant authority in order to solicit donations, prizes or contributions in kind from external organizations or individuals.

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Decision-making

Every Council member shall take necessary measures to ensure independence in judgment, actions and soundness of all decisions. He/she shall make reasonable effort to become and remain familiar with the affairs of the Polytechnic, attend all Council meetings and functions and commit time and energy to Council matters.

Confidentiality

Council members and officers dealing with Council matters shall observe confidentiality with regard to Council and Polytechnic matters, unless it is clearly authorized or intended for public disclosure. The Council Chairperson with the support of the Council and CEO shall determine the best mode of publishing and publicizing Polytechnic data and information in accordance with Article 35 of the Constitution of Kenya 2010 without compromising on confidentiality.

Otherwise, in case of any doubt, a Council member shall consult with the Chairperson before such disclosure, or in the case of Senior Management, consult with the CEO.

Council Liability Insurance

The Polytechnic shall take up an appropriate level of Council and Officers liability insurance to provide protection from risks inherent in their roles, duties and responsibilities as Council Members and Senior Officers.

Independent Professional Advice

The Council, Council Committees and Management have the right in line with their roles, duties and responsibilities to seek independent professional advice at the Polytechnic's expense. Prior written approval from the CEO in consultation with the Chairperson as the case may be shall be required

Periodical Review

A periodical review of the Charter is recommended to make the Charter a living top level policy document. The Council Charter shall be reviewed after every three (3) years by the Polytechnic Council in liaison with the Polytechnic Management

Relations with Stakeholders

a) The Council shall recognize, respect, and protect the rights of stakeholders and shall ensure equitable treatment of all stakeholders.

Terms of Reference

The Council shall adopt its detailed Terms of Reference which shall be reviewed periodically.

Board meetings held and the attendance to those meetings by members,

In the financial year 2024/2025 the Council held a total of seventeen meetings which were convened by the Secretary in consultation with the Chairperson as follows:

Serial No.	Nature of meeting	Number of meetings
1	Audit and Risk Management Committee	4
2	Academic, Human Resource & Welfare	4
3	Finance and Infrastructure Committee	4
4	Full Board	4
5	Special full board	1
	Total meetings	17

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

9. Management Discussion and Analysis

The College operational and financial performance

The operational and financial performance of Baringo National Polytechnic is as shown below.

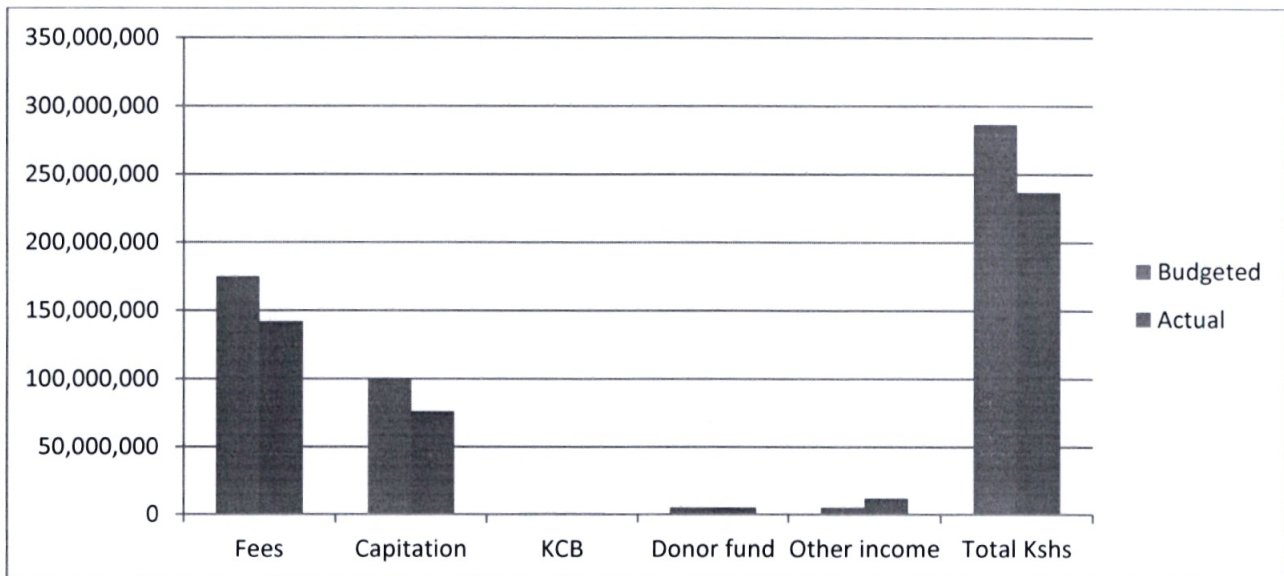
I. Revenue analysis Revenue Collection

During the financial year 2024-2025, the college had targeted to collect **Kshs 320,153,433**. We managed to collect actual **Kshs 231,622,373**.

Our collections across our budget lines were as follows:

Serial Number	Revenue description	Budgeted	Actual
1	Fees	214,853,433	137,215,563
2	Capitation	100,000,000	76,258,865
3	KCB	-	1,000,000
4	Donor fund	-	5,170,716
5	Other income	5,300,000	11,977,229
	Total Kshs	320,153,433	231,622,373

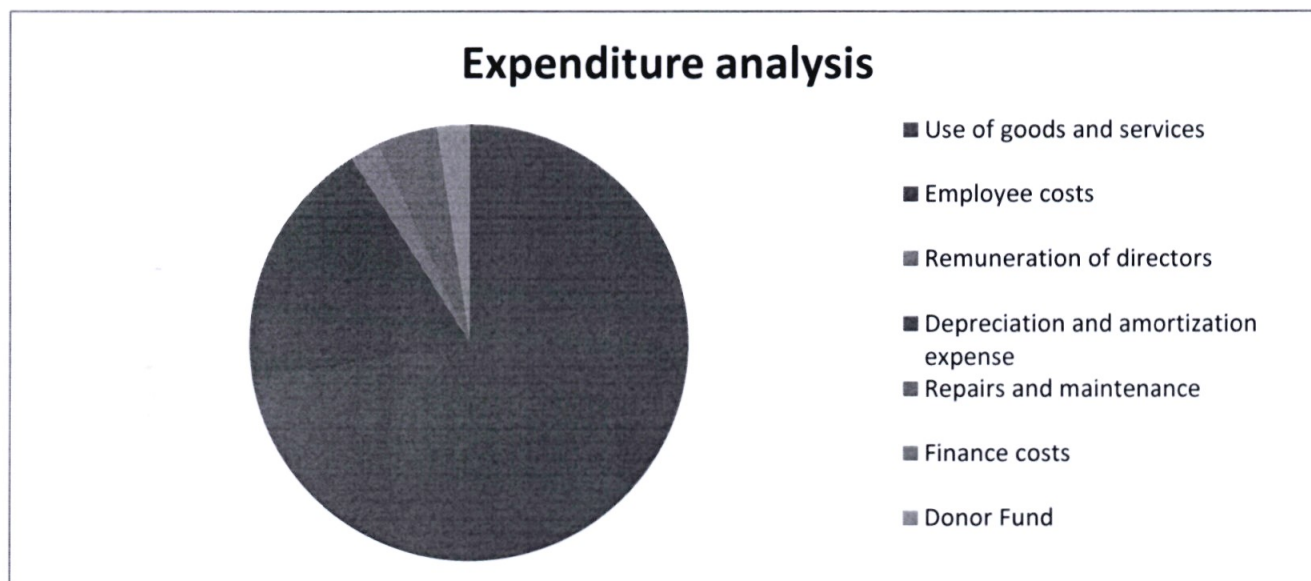
Analysis of Revenue



II. Expenditure Analysis.

In the financial year 2024-2025, the Polytechnic incurred the following expenditure, against the budgeted expenditure;

Serial Number	Vote heads	Budgeted	Actual
1	Use of goods and services	245,932,804	132,733,721
2	Employee costs	53,514,330	33,880,730
3	Remuneration of directors	6,322,800	3,020,340
4	Depreciation and amortization expense	-	27,317,033
5	Repairs and maintenance	14,383,499	8,567,384
6	Finance costs	-	49,934
7	Donor Fund	-	5,612,168
	Total expenses	320,153,433	211,181,310



Baringo National Polytechnic

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

Polytechnic compliance with statutory requirement

Baringo National Polytechnic financial statements have been prepared in accordance with Section 81(3) of the Public Finance Management Act of 2012. The college complied with statutory obligation of its employees from time to time.

Total exposure

The Polytechnic going concern is not in doubt and has no on-going or potential court cases that may expose it into potential contingent liability. Furthermore, the institution has complied with statutory obligation and requirements. In addition, the financial statements have been prepared on a going concern basis that depicts the entity's ability to continue as a going concern.

Major risks facing the college.

Major risks to the college are:

- i. Low student enrolment: We are conducting several college marketing initiatives and are hopeful they will boost the student enrolment numbers come the next financial year and, in the years, to follow.
- ii. Inadequate infrastructure leading to Inability to maintain and enhance growth in courses/expansion of programs
- iii. Capitation/scholarship grants cannot be relied upon as a source of income. It may not be possible to claim or collect from the government capitation arrears for past financial period even when our returns were in order. It is also difficult to collect grant promises which are factored into our budgets.
- iv. We are exposed to credit related losses in the event of non-performance by Ministry of Education, trainees, and other paying stakeholders.
- v. Polytechnic fee revenue from our trainees is a significant portion of overall revenue. There is need to diversify our revenue sources away from student led revenue streams to enhance sustainability. To this end, we endeavour to encourage departments to initiate income generating activities (IGAs)
- vi. A cyber-attack on or disruption to our IT systems or other systems utilized in our operations could compromise our operations, adversely impact our reputation, and subject us to liability.
- vii. Session interruptions due to pandemics, natural disasters, terrorist incidents and other events could adversely affect us.

Reporting framework

The Polytechnic first adopted the International Public Sector Accounting Standards (IPSAS)-Accrual in the financial year 2018-2019.

The presentation of financial statements under review is in conformity with International Public Sector Accounting Standards (IPSAS) 1 on the presentation of financial statements. Additionally, each material class of similar items has been presented separately in the financial statements while dissimilar items have been aggregated only if they are immaterial on an individual basis as per International Public Sector Accounting Standard (IPSAS 1(13))

Material arrears in financial obligations

The pending bills at the close of the financial year stood at **Kshs 60,110,670** . All this incurred to make the Polytechnic more hospitable for learners as we pursue our mandate.

The Polytechnic financial probity and serious governance issues

During the financial year 2024-2025 there was no major financial improprieties reported by agencies on oversight that came to the knowledge of management. In addition, the Polytechnic does not have serious governance issues among the Council and the Top Management including conflict of interest. Being the first point of oversight, the Council in its calendar has scheduled quarterly meetings of the Audit and Risk Management Committee to strengthen the oversight on the execution of the budget.

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

During the 2024/2025 reporting period, Baringo National Polytechnic aligned its sustainability efforts with global frameworks such as the UN Sustainable Development Goals (SDGs), Kenya Vision 2030, and the Climate Change Act 2016, focusing on environmental conservation, inclusive procurement, and ethical service delivery. Key achievements included the planting of over 4,300 trees, implementation of waste segregation and energy-saving measures, automation of services, and awarding over 32% of contracts to youth, women, PWDs, and local suppliers through open tendering. Despite challenges such as limited funding, climate-related setbacks, and low uptake of digital platforms, the institution implemented mitigation measures including stakeholder engagement, digital literacy training, and community collaboration for sustainability. Through its service charter, environmental actions, and inclusive procurement, the Polytechnic demonstrated its commitment to responsible governance and sustainable development.

Environmental performance

Baringo National Polytechnic is dedicated to implementing sustainable environmental practices in alignment with Kenya's national climate action plans and the Environmental Management and Coordination Act (EMCA), 1999. The institution's Environmental Policy emphasizes resource conservation, pollution prevention

Implementation Highlights:

- **Tree Planting & Biodiversity Conservation:** More than 4,300 trees have been planted within the institution and at Kasore Forest, in collaboration with the Baringo County Commissioner and the Kenya Red Cross, reinforcing the Polytechnic's commitment to environmental restoration.
- **Waste Management:** The institution has adopted waste segregation through labeled bins, reduced the use of plastic bottles, embraced paperless systems, and implemented recycling and composting practices.
- **Pollution Control:** Regular maintenance of institutional vehicles and increased use of virtual meetings have helped reduce the Polytechnic's carbon footprint.
- **Climate-Smart Infrastructure:** Initiatives include the installation of solar-powered lighting, construction of eco-toilets and adoption of LED lighting and energy-efficient appliances.
- **Environmental Awareness:** Continuous sensitization on climate change is conducted through forums and workshops for staff and students.

Employee welfare

The institution has a comprehensive Human Resource Policy that outlines terms of service, developed in consultation with stakeholders and in adherence to relevant legal frameworks. It includes clear career progression guidelines, detailing job descriptions, recruitment standards, and staff development through targeted training. The policy is regularly reviewed and updated to reflect emerging needs and changes.

Employee training needs are identified annually, with staff performance monitored through structured appraisal systems. To promote a safe and healthy work environment, the institution implements a Health and Safety Policy aligned with the Occupational Safety and Health Act, 2007. Additionally, through its partnership with CICan, the institution successfully equipped a baby care Centre to support the welfare of both trainers and trainees.

Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Baringo National Polytechnic promotes integrity and fairness through responsible competition and efficient service delivery.

Responsible Competition:

The institution enforces an anti-corruption policy with confidential reporting channels. Procurement is conducted through open tendering in line with legal requirements. It maintains ethical standards, respects other institutions, and avoids political interference by adhering strictly to policy and legal frameworks.

Improved Service Delivery

Service delivery is enhanced through a publicly displayed service charter, automated systems for key services, and adoption of cashless payment platforms. Public sensitization efforts, including outreach and open days, keep stakeholders informed. Brand reputation is safeguarded through consistent service quality and value-driven operations.

b) Responsible Supply chain and supplier relations

Baringo National Polytechnic promotes ethical business conduct and responsible supplier relationships by honoring contractual obligations, ensuring timely and transparent payments, and conducting open and competitive procurement in line with the Public Procurement and Asset Disposal Act. Regular supplier engagement, clear communication, and strict adherence to ethical and legal standards help maintain trust, accountability, and operational efficiency. In the coming financial year, the institution will be implementing Electronic Government Procurement (eGP)

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

Baringo National Polytechnic promotes ethical and responsible communication by providing honest, accurate, and inclusive information through its marketing and outreach efforts. The institution engages the public via media briefings, forums, and open days and organizing forums through county commissioners office, ensures respectful and culturally sensitive messaging, maintains transparency on its digital platforms, and regularly consults stakeholders for feedback. These practices enhance public trust, uphold institutional integrity, and support informed decision-making

d) Product stewardship or Awareness Creation

Baringo National Polytechnic promotes ethical service delivery and protects stakeholder rights through key initiatives. It ensures health and safety in line with the Occupational Safety and Health Act, provides clear service information (including NHIF, NSSF, and student services), and has established fair and confidential grievance redress mechanisms. The institution safeguards personal data under the Data Protection Act, 2019, and raises awareness on citizens' rights such as legal representation, access to essential services, peaceful demonstration, and whistleblower protection through counselling and outreach programs.

Corporate Social Responsibility / Community Engagements

In the financial year 2024/2025, the polytechnic carried out a Corporate Social Responsibility (CSR) initiative by visiting Kabarnet School for the Deaf and Blind. During the visit, the institution donated assorted food items to support vulnerable learners, demonstrating its commitment to social inclusion and community welfare.

Additionally, the Polytechnic advanced its Corporate Social Responsibility (CSR) agenda through impactful tree-planting initiatives that promoted environmental sustainability and supported national afforestation goals.

A total of 2,000 trees were planted within the institution's compound with support from the County Commissioner of Baringo County, while an additional 2,300 trees were planted at Kasore Forest in collaboration with the Kenya Red Cross, involving trainers, trainees, and participants from Emining Technical Training Institute. These efforts, which resulted in a combined total of 4,300 trees planted, strengthened partnerships with key stakeholders, encouraged inter-institutional cooperation, and cultivated a culture of civic responsibility and environmental awareness among students and staff

11. Report of the Governing Council

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

Principal activities

The principal activities of the entity are to continue offering Training.

Results

The results of the entity for the year ended June 30, 2025 are set out on page 1-40

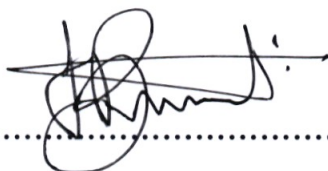
Governing Council

The members of the Council who served during the year are shown on page viii-xi. During the year one Council retired.

Auditors

The Auditor General is responsible for the statutory audit of the 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 Polytechnic for the year 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



Isaac Bwambok
Principal/Secretary to the Council

12. Statement of Governing Council's Responsibilities

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

The Council 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 entity 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 entity.
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for Baringo National Polytechnic 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 Public Finance Management Act, 2012 and Technical Vocational Education and Training (TVET) Act, 2013. The Board members are of the opinion that the Polytechnic's financial statements give a true and fair view of the state of Baringo National Polytechnic transactions during the financial year ended 30 June 2025 and of the entity's financial position as at that date. The Council, further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.



Nothing has come to the attention of the Council members to indicate that Baringo National Polytechnic will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Baringo National Polytechnic's financial statements were approved by the Council on August 28, 2025 and signed on its behalf by the Chairperson of the Council and the Principal.



.....
Dr. Marycent Yator
Chairperson of the Council


.....
Isaac Bwambok
Principal/Secretary to the Council


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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Baringo National Polytechnic set out on pages 1 to 40, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes of 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 Baringo 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. Unsupported Repairs and Maintenance Expenditure

The statement of financial performance reflects repairs and maintenance Kshs.8,567,384 as disclosed in Note 14 to the financial statements. However, support schedules revealed that the payments were not supported by the required documentation including pre-inspection reports indicating the extent and nature of the damage; post-inspection reports confirming completion and adequacy of the repairs; stores records for replaced or worn-out parts; logbooks and work tickets where defects were recorded.

In the circumstances, the accuracy, completeness and regularity of the repairs and maintenance amounting to Kshs.8,567,384 could not be confirmed.

2. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions balance of Kshs.131,900,345 as disclosed in Note 18 to the financial statements. However, the balance represents students' debtors balance of Kshs.54,086,133 or 41% for financial year 2023/2024 and earlier years. Further, no provision for bad debts or write off of the debts was disclosed in the financial statements.

In the circumstances, the recoverability of the receivables from exchange transactions balance of Kshs.54,086,133 as at 30 June, 2025 could not be ascertained.

3. Inaccuracies in Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.377,305,182 as disclosed in Note 20 to the financial statements. However, the opening balance as at 1 July, 2024 is net book value balance of Kshs.353,323,346 instead of the cost or revaluation with additions for the year balance of Kshs.18,627,490 totalling Kshs.371,950,836. Further the reported period was six (6) months as from 1 July, 2024 instead of 1 July, 2023.

In addition, the opening balance for the year 2024/2025 was reflected as net book values as at 30 June, 2024 instead of 1 July, 2024 balance of Kshs.352,581,017 instead of the cost or revaluation with additions for the year balance of Kshs.49,621,997 totalling Kshs.402,203,014.

These inconsistencies indicate that the property, plant and equipment balances were not accurately reconciled between periods and that the presentation does not comply with IPSAS 17, which requires proper disclosure of opening balances, additions, disposals, and reconciliations to ensure accurate carrying amounts.

In the circumstances, the accuracy, completeness, classification, valuation presentation as disclosure of the property, plant and equipment balance of Kshs.377,305,182 could not be confirmed.

4. Inaccuracies In Depreciation and Amortization Expense

The statement of financial performance reflects depreciation and amortization expense amount of Kshs.27,317,033 as disclosed in Note 13 to the financial statements. However, the accuracy of the depreciation expense for both current and prior year amounts of Kshs.27,317,033 and Kshs.22,825,818, respectively could not be confirmed as the net book values were used to calculate the depreciation charge for the year instead of cost or valuation. Further, the depreciation charge had casting errors as detailed below:

Depreciation	Building (Kshs)	Computers Books (Kshs)	Books (Kshs)	Total (Kshs)
Recalculated Depreciation	5,344,203	10,436,580	386,073	16,166,856
Depreciation Charged	5,580,579	9,735,626	308,876	15,625,081
Variance	(236,376)	700,954	77,197	541,775

In the circumstances, the Kshs.27,317,033 reflected in the financial statements does not reflect the true value of depreciation and amortization.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Baringo 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 revenue budget and actual on comparable basis amount of Kshs.320,153,433 and Kshs.231,622,373 respectively resulting in under-funding of Kshs.88,531,060 or 28% of the budget. Further, Polytechnic spent an amount of Kshs.183,864,277 against actual receipts of Kshs.231,622,373 resulting to an under-utilization of Kshs.47,758,096 or 27% of actual receipts.

The under-funding and under-utilization 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 section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the prior year audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Polytechnic in 2024/2025 revealed that the following seven (7) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Long Outstanding Receivables from Exchange Transactions
2	2023/2024	Dispute in the Ownership of the Polytechnic's Land
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Ineffective Management of Human Resource
5	2023/2024	Irregular Contract Renewal
6	2023/2024	Lack of Fraud Management Policy
7	2023/2024	Weak Information Technology (IT) Internal Controls

Other Information

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

In connection with my audit on the Polytechnic's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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 Staff Ethnic Composition

The statement of financial performance reflects employee costs of Kshs.33,880,730 as disclosed in Note 11 to the financial statements. Review of the Polytechnic workforce revealed that ninety-four percent (94%) of all employees are from the dominant ethnic group which was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff. Management has not outlined any measures it has put in place to resolve this issue.

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

2. Ineffective Management of Human Resource

The statement of financial performance reflects employee costs amount of Kshs.33,880,730 as disclosed in Note 11 to the financial statements. Review of support documentation on this expenditure revealed the following unsatisfactory matters;

- i. Management has not complied with the Work Injury Benefits Act and Occupational, Health Safety Act, 2007 as required by law,
- ii. No proof of a defined pension contribution scheme for the employee's pending retirement was provided for review,
- iii. The employee's appraisal and evaluation were not provided and the Polytechnic lacks training needs assessment, training plan, program, calendars for staff and utilization of the ERP by employees, and
- iv. Review of the staff establishment revealed that the optimum number of academic staff and essential staff of one hundred eighty-one (181) and ninety-two (92) respectively. However, the in-post staff at the Polytechnic stood at sixty (60) academic staff and fifty-one (51) essential employees resulting to understaffing of one hundred and sixty-two (162).

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

3. Disputed Ownership of Polytechnic's Land

The statement of financial position reflects property, plant and equipment balance of Kshs.377,305,182 as disclosed in Note 20 to the financial statements which includes land balance of Kshs.53,400,000. As previously reported, a parcel of land measuring approximately 1.6 hectares was encroached illegally and converted to a conservancy by private developers. At the time of audit in November, 2025, the land was still being utilized and has been fenced by private developers. However, the Principal had written to the Ministry of Education for assistance to reclaim the land. Further, the Polytechnic was in the process of amalgamating its parcels of land to secure a consolidated title deed, a process that is currently at an advanced stage, and the National Land Commission is actively deliberating on the matter. Further, an ad-hoc committee of the Governing Council is overseeing the amalgamation of the already fenced land to facilitate the issuance of the title deed. In addition, the Principal has formally sought legal support from the Principal Secretary, Ministry of Education, State Department for Technical and Vocational Education Training regarding the encroached 1.6-hectare parcel, through a letter dated 23 July, 2024. The matter is under consideration, and efforts are ongoing to reclaim the land.

In the circumstances, the ownership and existence of property, plant and equipment balance of Kshs.377,305,182 could not be confirmed.

4. Delays in Completion of Projects

During the month of March, 2025, the Polytechnic signed a contract with a contractor for the construction and refurbishment works of the Kitchen. The contract was for a period of three (3) months effective 21 March to 21 June, 2025 at a cost of Kshs.4,093,010. However, as at the time of audit in the month of November, 2025, the project was at 30% completion stage. The delay was attributed to delay in transfer of capitation by the Ministry of Education.

Further, the Polytechnic entered into contract for a proposed completion of building and civil engineering workshop. The contract was for a period of three (3) months from 31 March 2025 to 21 June 2025 at a cost of Kshs.4,790,800. However, as the time of audit in the month of November 2025, the project was at 50% completion stage. The Management attributed the delay in completion of the project to slow or non-transfer of funds from the parent ministry. Further, Management may have commenced the implementation of the projects before confirming the availability of funds as required by the public finance management regulations.

In the circumstances, value for money for the above projects could not be confirmed.

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 Section 7(1)(a) of the Public Audit Act, 2015, 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 internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Approved Risk Based Strategic Plan

The internal audit function operates without an approved risk-based strategic plan, or annual work plan. This was contrary to Regulation 173 of the Public Finance Management (National Government) Regulations, 2015 provides that the 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 unit plan shall be developed. The annual work plan developed in paragraph (1) of this regulation shall be, submitted to the audit committee by the 15 February each financial year; and 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 risk assessment by the internal audit function could not be confirmed.

2. Lack of Fraud Management Policy

Review of the Polytechnic's policy documents and operations revealed that Fraud Management Policy to assist in detecting and preventing fraud during the year under review as not in place. Further, Management did not have a Risk Management Policy or strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal, and financial risks contrary to Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, Management may not be in a position to identify, detect and prevent fraud in the Polytechnic.

3. Lack of Enforcement of Internal Audit Recommendation

The Management did not provide response and action plan reports this was contrary to Regulation 173 of the PFM (National) Regulations, 2015 which states that, the Accounting Officer of the concerned entity shall be responsible for the implementation of the

recommendations made in the audit reports and shall develop response and action plan which he or she shall submit to the Chairperson of the audit committee within fourteen days. The response and action plan submitted to chairperson of the audit in paragraph (1) of this regulation shall be submitted to the Audit Committee for follow up to ensure their implementation.

In the circumstances, Management may not be able to implement audit and or Senate recommendations.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Polytechnic's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the 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.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 December, 2025

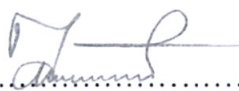
Baringo National Polytechnic

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

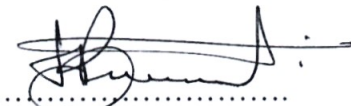
14. Statement of Financial Performance for The Year Ended 30 June 2025

Description	Notes	Period ended June 30, 2025	Period ended June 30, 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from National Government Entities	6	76,258,865	41,098,205
Grants from Donors and Development Partners	7	6,170,716	1,818,870
Revenue from non-exchange transactions		82,429,581	42,917,075
Revenue from exchange transactions			
Rendering of services- Fees from students	8	137,215,563	111,896,681
Other income	9	11,977,229	2,786,637
Revenue from exchange transactions		149,192,792	114,683,318
Total revenue		231,622,373	157,600,393
Expenses			
Use of goods and services	10	132,733,721	121,058,002
Employee costs	11	33,880,730	30,069,225
Remuneration of Council	12	3,020,340	5,793,384
Depreciation and amortization expense	13	27,317,033	22,825,819
Repairs and maintenance	14	8,567,384	8,584,179
Finance costs	15	49,934	29,943
Donor expenses	16	5,612,168	-
Total expenses		211,181,310	188,360,552
Net Surplus for the Period		20,441,063	- 30,760,159

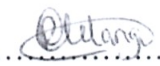
The notes set out on pages 1 to 33 form an integral part of these Financial Statements



Dr. Marycent Yator
 Chairperson of the Council



Isaac Bwambok
 Principal/Secretary to the
 Council



CPA Rebecca Chelanga
 Finance Officer

ICPAK No 20590

Date 10/12/2025

Date 8/12/2025

Date 08/12/2025



15. Statement of Financial Position As At 30th June 2025

Description	Notes	Period ended	Period ended
		June 30, 2025	June 30, 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	5,995,394	8,746,290
Current portion of receivables from exchange transactions	18	131,900,345	111,419,698
Inventories	19	3,235,572	4,261,913
Total Current Assets		141,131,310	124,427,901
Non-Current Assets			
Property, plant, and equipment	20	377,305,182	352,581,017
Capital work in progress	21	8,883,810	-
Intangible assets	22	5,644,800	8,064,000
Biological Assets	23	334,500	311,500
Total Non-Current Assets		392,168,292	360,956,517
Total Assets (A)		533,299,602	485,384,418
Liabilities B			
Current Liabilities			
Trade and other payables from exchange transactions	24	60,110,670	31,385,326
Refundable deposits from customers	25	8,461,475	7,452,175
Payments received in advance	27	2,991,201	5,251,724
Total Current Liabilities		71,563,346	44,089,225
Total Liabilities (B)		71,563,346	44,089,225
Net Assets (A-B)		461,736,256	441,295,193
Represented By:			
Capital Reserve	31	233,016,492	233,016,492
Capital grant/fund	32	15,685,163	15,685,163
Accumulated Surplus	33	213,034,601	192,593,538
Net Assets		461,736,256	441,295,193

The Financial Statements set out on pages 1 to 33 were signed by;

.....
Dr. Marycent Yator
 Chairperson of the Board

Date: 10/12/2025

.....
Isaac Bwambok
 Principal Secretary to the Council

Date: 8/12/2025

.....
CPA Rebecca Chelanga
 Finance Officer
 ICPAK No 20590

Date: 08/12/2025



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

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

Description	Revaluation Reserve	Accumulated Fund	Capital fund	Total
At July 1, 2024	233,016,492	223,353,697	15,685,163	472,055,352
Revaluation gain	-	-30,760,159	-	-30,760,159
Surplus/(deficit) for the year	-	-	-	-
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortization from capital fund to Retained earnings				
At June 30, 2024	233,016,492	192,593,538	15,685,163	441,295,193
	-		-	-
At July 1, 2024	233,016,492	192,593,538	15,685,163	441,295,193
Revaluation gain				
Surplus/(deficit) for the year		20,441,063		20,441,063
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortization from capital fund to	-	-	-	-
Retained earnings				
At June 30, 2025	233,016,492	213,034,601	15,685,163	461,736,256

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

Description	Notes	Period ended June 30,2025	Period ended June 30,2024
	Note	Kshs	
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	76,258,865	41,098,205
Grants from Donors and Development Partners	7	6,170,716	1,818,870
Revenue from non-exchange transactions		82,429,581	42,917,075
Revenue from exchange transactions			
Rendering of services	8	137,215,563	111,896,679
Other income	9	11,977,229	2,786,637
Revenue from exchange transactions		149,192,792	114,683,318
Total revenue		231,622,373	157,600,393
Expenses			
Use of goods and services	10	132,733,721	121,058,002
Employee costs	11	33,880,730	30,069,225
Remuneration of Council	12	3,020,340	5,793,384
Repairs and maintenance	14	8,567,384	8,584,179
Finance costs	15	49,934	29,943
Donor expenses	16	5,612,168	-
Total expenses		183,864,277	165,534,733
Net Surplus for the Period	28	47,758,096	-2,769,426
Net Cash flows from investing activities			
Purchase of PPE and intangible asset		-49,621,997	- 18,627,490
Net Cash flows from investing activities		-49,621,997	- 18,627,490
Net increase/(decrease) in cash and cash equivalents		- 1,863,901	
Cash and cash equivalents at July 1,2024	17	8,746,290	3,179,493
Cash and cash equivalents as at June 30,2025	17	6,882,389	8,746,290

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

Description	Original annual Budget	Adjustments	Final Annual Budget	Actual on a comparable basis	Budget utilization difference	% of Utilization
	A	B	C=(a+b)	D	E=c-d	F=d/c
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from National Government	100,000,000		100,000,000	76,258,865	23,741,135	22
Rendering of services fees from students	214,853,433		214,853,433	137,215,563	77,637,870	64
other incomes	5,300,000		5,300,000	11,977,229	-6,677,229	-5.3
Donor Fund				6,170,716	-6,170,716	
Total Revenue	320,153,433		320,153,433	231,622,373	88,531,060	
Expenditure						
Use of goods and services	173,706,587	7,500,000	181,206,587	132,733,721	48,472,866	46
Employee costs	53,514,330		53,514,330	33,880,730	19,633,600	53
Remuneration of directors	6,322,800		6,322,800	3,020,340	3,302,460	65
Repairs and maintenance	5,383,499	9,000,000	14,383,499	8,567,384	5,816,115	53
Finance costs	-	-	-	49,934	-49,934	
Donor Fund	-	-	-	5,612,168	-5,612,168	38
Total Recurrent Expenses	238,927,216		255,427,216	183,864,277	117,619,857	
Capital items						
Acquisition of PPE & intangible asset	81,226,217	-16,500,000	64,726,217	49,621,997		
Total Capital expenses	81,226,217		64,726,217	49,621,997	15,104,220	76.6
Total expenses	320,153,433	-	320,153,433	49,621,997		

Budget notes

- a) Transfers from National Government-The funds from the GoK were lower than planned due to partial disbursements of funds.
- b) Rendering of services fees from students-Student fee collections were lower than expected due to reduced enrolment and delays in payment by students due to new funding model.
- c) Use of goods and services-Spending was lower than budgeted due to delays in procurement process
- d) Employee costs-Employee-related expenses were lower because of vacant positions
- e) Remuneration of directors-Allowances reduced due to reduced number of meetings in the year.
- f) Repairs and maintenance-Planned maintenance activities were reduced due to delayed procurement process.
- g) Acquisition of PPE-Capital projects and asset acquisitions were delayed due to non-remittance of funds on time

19. Notes to the Financial Statements

1. General Information

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

2. Statement of Compliance and Basis of Preparation

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

Notes to the Financial Statements continued

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	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <ul style="list-style-type: none"> • This standard has no impact on our institution
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <ul style="list-style-type: none"> • The standard will Enhance Asset Management: The institution will need to identify and classify assets held for sale, ensuring such assets are measured at the lower of carrying amount or fair value less costs to sell, promoting transparency in asset disposal.
IPSAS 45: Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of</p>

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

	<p>infrastructure assets.</p> <ul style="list-style-type: none"> The Institution has no heritage asset and therefore this standard is not relevant.
IPSAS 46: Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. Clarifying transaction costs guidance to enhance consistency across IPSAS. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <ul style="list-style-type: none"> Improved Financial Reporting: TVET institutions will now apply consistent and detailed valuation methods, enhancing the reliability and comparability of their financial reports.
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <ul style="list-style-type: none"> By replacing IPSAS 9, 11, and 23, the standard streamlines the accounting for both exchange and non-exchange transactions under one framework, improving consistency and comparability in financial reporting.
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</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> <ul style="list-style-type: none"> Clear Guidance on Transfer Expenses: This is the first IPSAS standard specifically addressing transfer expenses, offering clarity on how to recognize, measure, and disclose non-exchange outflows, such as bursaries, student aid, or grants to third parties
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</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</p>

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

	<p>employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <ul style="list-style-type: none"> • The standard will improve the accuracy, consistency, and transparency of how Baringo National Polytechnic accounts for and reports on retirement benefit plans, ensuring better financial governance and enhanced compliance with public sector reporting requirements
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <ul style="list-style-type: none"> • The Institution has no mineral resources and therefore this standard is not relevant

iii. Early adoption of standards

Baringo National Polytechnic did not early adopt any new or amended standards in year ended June 30, 2025

Notes to the Financial Statements continued

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.

Notes to the Financial Statements continued

b) Budget information

The original budget for FY 2024/2025 was approved by the Council on 19th January, 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. 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

Baringo National Polytechnic is exempt from paying taxes as per 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.

Notes to the Financial Statements continued

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. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

- Motor Vehicles: 25%
- Buildings: 2%
- Furniture and Fittings: 12.5%
- Computers and ICT Equipment: 30%
- Books: 25%
- Plant, Equipment and Machinery: 25%
- Intangible assets: 30%

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.

Notes to the Financial Statements continued

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 Polytechnic 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 Polytechnic 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.

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

Subsequent measurement

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

Amortized cost

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

Notes to the Financial Statements continued

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).

Financial liabilities

Classification

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

k) Inventories

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

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

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
- After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

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

Notes to the Financial Statements continued
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 Polytechnic.

l) Provisions

Provisions are recognized when the Polytechnic 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 Polytechnic 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 Polytechnic 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 Polytechnic 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 Polytechnic in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

m) Social Benefits

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

Notes to the Financial Statements continued

n) Nature and purpose of reserves

The Polytechnic did not create and maintains reserves in terms of specific requirements

o) Changes in accounting policies and estimates

The Polytechnic 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 Polytechnic 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.

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

Notes to the Financial Statements continued

s) Related parties

The Polytechnic 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 Polytechnic 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 Polytechnic 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 Polytechnic 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.

Notes to the Financial Statements continued

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 Polytechnic.
- 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.

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.

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

Notes to the Financial Statements continued

6. Transfers from other National Government entities

Description	Period ended June 30, 2025	Period ended June 30,2024
	Kshs	Kshs
Unconditional grants		
Capitation grants/scholarship	76,258,865	41,098,205
Total government grants and subsidies	76,258,865	41,098,205

(a)Transfers from other Government entities (Categorized)

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund.	Total grant income during the period	Period ended June 30,2024
			Kshs	Kshs	Kshs
Ministry of education State Department for TVET	76,258,865	-	26,000,000	76,258,865	41,098,205
Total	76,258,865	-	26,000,000	76,258,865	41,098,205

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

Notes to the Financial Statements continued

7. Grants from Donors and Development Partners

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Conditional grants		
Transfer from CIGan	5,170,716	1,818,870
KCB Grant	1,000,000	-
Total Government Grants and Subsidies	6,170,716	1,818,870

8. Rendering of Services

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Tuition Fee	38,047,611	16,675,612
Arrears	160,453	
Activity Fee	10,355,643	7,899,890
Personnel Emoluments	21,013,520	24,969,366
Repairs, Maintenance, and Improvements	7,125,429	4,763,030
Local Transport and Travel fees	9,259,567	7,226,919
Electricity, Water and Conservation fees	9,304,660	7,315,808
Medical, Attachment and Insurance fees	7,072,965	5,432,500
Examination Fee	22,562,830	19,553,200
Material Fee	4,833,500	4,381,100
Student Identity card fee	817,500	222,500
Student Council fees	8,000	847,200
Hostel Accommodation	1,214,185	2,840,240
Graduation Fee	2,839,700	31,500
Application fee	213,100	446,190
Development fee	906,500	8,700
TVETA Quality Assurance Fee	1,480,400	-
Cafeteria fees (PAYE)	-	9,282,926
Total Revenue from The Rendering of Services	137,215,563	111,896,681

These are revenues received from student payment of fees for the year.

9. Other Income

Description	Period ended June 30, 2025	Period ended June 30, 2024
	KShs	KShs
Rent	121,453	1,500,940
Breakage fee	149,200	87,000
Catering Service	513,310	74,300
Conference facility	431,595	77,565
Hospitality conference facility	543,160	13,000
Bus Hire	331,525	99,480
sale of scrap	1,640	261,330
Sales from Hairdressing and Beauty	5,460	304,700
Cafeteria sales (P.A.Y.E)	9,347,331	
Farm Income	123,814	357,000
Library Fines	5,961	9,562
Accommodation facility	402,780	1,760
Total Sale of Goods	11,977,229	2,786,637

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

Notes to the Financial Statements continued

These are revenues received other than fees paid by the students

10. Use of Goods and Services

Description	Period ended June 30, 2025	Period ended June 30, 2024
	KShs	KShs
Teaching and Learning Materials	59,484,395	40,498,253
Industrial Attachment Costs	1,565,306	-
Electricity expenses	2,227,572	2,159,013
Water expenses	97,060	101,320
Student Activities	1,562,196	4,291,745
Cleaning Material	56,599	-
Examination Fee Expenses	25,220,249	22,693,292
Cafeteria Expenses	15,547,968	11,787,103
Travelling and Accommodation	26,428,928	33,595,369
Administration Costs	-	586,620
Medical Expenses	543,448	425,213
Research and development costs	-	1,419,250
Establishment expenses	-	3,500,825
Total good and services	132,733,721	121,058,002

11. Employee Costs

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Salaries and wages	33,880,730	30,069,225
Employee costs	33,880,730	30,069,225

12. Remuneration of Directors

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Board's allowances	3,020,340	5,793,384
Total director emoluments	3,020,340	5,793,384

13. Depreciation and Amortization Expenses

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Property, plant and equipment	24,897,833	19,369,819
Amortization of software	2,419,200	3,456,000
Total depreciation and amortization	27,317,033	22,825,819

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

Notes to the Financial Statements continued

14. Repairs and Maintenance

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Property	8,567,384	8,584,179
Total repairs and maintenance	8,567,384	8,584,179

15. Finance costs

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Bank charges	49,934	29,943
Total finance costs	49,934	29,943

16. Donor Expenses

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
CICan Project	5,612,168	-
Total Donor fund	5,612,168	-

17a. Cash and Cash Equivalents

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Current account	5,995,394	8,746,290
Total cash and cash equivalents	5,995,394	8,746,290

17b. Detailed Analysis of Cash and Cash Equivalents

Financial institution	Account number	Period ended June 30, 2025	Audited prior year Period ended June 30, 2024
		Kshs	Kshs
a) Current account			
Kenya Commercial bank	1137331836	31,225	291,520
Kenya Commercial bank	1175704199	5,929,961	3,156,250
Kenya Commercial Bank	1167847253	472	4,854,904
Kenya Commercial Bank	1322147841	1,236	411,116
Equity account	1390271609035	32,500	32,500
Grand Total		5,995,394	8,746,290

18. Receivables from Exchange Transactions

(a) Current Receivables from Exchange Transactions

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Current receivables		
Student debtors	131,900,345	111,419,698
Total current receivables	131,900,345	111,419,698

Baringo National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025
Notes to the Financial Statements continued

(b) Ageing Analysis of Receivables from Exchange transactions

Description	Period ended June 30, 2025		Period ended June 30, 2024	
	Kshs		Kshs	
	FY 2024/25	% of the total	FY 2023/24	% of the total
Less than 1 year	77,814,212	59%	54,086,133	49%
Between 1- 2 years	54,086,133	41%	57,333,565	51%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	131,900,345	100%	111,419,698	100%

19. Inventories

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Catering Stores	633,222	559,930
Stationery	1,017,874	807,556
Electrical Stores	156,503	458,309
Cleaning Materials Stores	50,670	143,924
Food and Beverages Stores	-	211,335
Fashion and Design Stores	330,930	209,540
Building Stores	544,236	1,385,758
Automotive and Mechanical Stores	69,627	250,320
House Keeping and Accommodation	211,428	191,681
Agriculture Department Stores	21,880	19,810
Hairdressing stores	12,772	23,750
Sanatorium	186,429	-
Total inventories at the lower of cost and net realizable value	3,235,572	4,261,913

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

Notes to the Financial Statements continued

20. Property, Plant and Equipment

Asset	Land	Motor Vehicles	Building/W.I.P	Furniture & fittings	Computers and ICT equipment	Books	Plant equipment & Machinery	Totals
		25%	2%	12.5%	30%	25%	25%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Net Book values July 1,2024	53,400,000	6,600,000	257,391,000	9,209,860	10,220,500	2,059,056	14,442,930	353,323,346
additions	-	-	-	4,020,820	1,497,000	-	13,109,670	18,627,490
Book values	53,400,000	6,600,000	257,391,000	13,230,680	11,717,500	2,059,056	27,552,600	371,950,836
Depreciation	-	1,650,000	5,147,820	1,653,835	3,515,250	514,764	6,888,150	19,369,819
Net Book values June 30,2024	53,400,000	4,950,000	252,243,180	11,576,845	8,202,250	1,544,292	20,664,450	352,581,017
Net Book values June 30,2024	53,400,000	4,950,000	252,243,180	11,576,845	8,202,250	1,544,292	20,664,450	352,581,017
Additions	-	3,629,250	14,966,982	2,537,135	26,586,350	0	1,902,280	49,621,997
Depreciation		2,144,813	5,580,579	1,764,248	9,735,626	30,886	5,641,683	24,897,835
Net Book Value	53,400,000	6,434,438	261,629,583	12,349,733	25,052,974	1,513,406	16,925,048	377,305,182

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

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 Elrons professional valuers on September, 2023. These amounts were adopted in the financial statements for the year ended June 30, 2025.

20. (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	53,400,000	-	53,400,000
Buildings	267,210,162	5,580,579	261,629,583
Plant And Machinery	22,566,730	5,641,683	16,925,048
Motor Vehicles including Motorcycles	8,579,250	2,144,813	6,434,438
Computers and Related Equipment	34,788,600	9,735,626	25,052,974
Office Equipment, Furniture, And Fittings	14,113,980	1,764,248	12,349,733
Books	1,544,292	30,886	1,513,406
Total	402,203,014	24,897,835	377,305,182

21. Capital Work in Progress

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Buildings	8,883,810	-
Total Capital Work in Progress	8,883,810	-

22. Intangible Assets-Software

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Computer software	-	-
MIS Software	5,644,800	8,064,000
NBV	5,644,800	8,064,000

Notes to the Financial Statements (Continued)

23. Biological Assets

	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Cattle	334,500	311,500
Total Biological	334,500	311,500

24. Trade and Other Payables

Description	Period ended June 30, 2025		Period ended June 30, 2024	
	Kshs		Kshs	
Trade payables	60,110,670		31,385,326	
Other Payables	-		-	
Total Trade and Other Payables	60,110,670		31,385,326	
Ageing analysis:	Period ended June 30, 2025	% of the Total	Period ended June 30, 2024	% of the Total
Under one year	54,179,670	90%	22,454,326	72%
1-2 years	5,931,000	10%	8,931,000	28%
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total Payables	60,110,670	100%	31,385,326	100%

25. Refundable Deposits from Customers

Description	Period ended June 30, 2025		Period ended June 30, 2024	
	Kshs		Kshs	
Customer deposits	3,360,775		3,173,775	
KUCCPS Placement Fee	5,100,700		2,380,500	
TVETA Quality assurance fees	-		1,897,900	
Total deposits	8,461,475		7,452,175	
Ageing analysis:	Period ended June 30, 2025	% of the Total	Period ended June 30, 2024	% of the Total
Under one year	6,753,775	79.8%	1,707,700	22.3%
1-2 years	1,707,700	20.2%	5,744,475	77.7%
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total deposits	8,461,475	100%	7,452,175	100%

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

Notes to the Financial Statements (Continued)

26. Employee Benefit Obligations

Retirement benefit Asset/ Liability

Baringo National Polytechnic 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.

The Baringo National Polytechnic contributes to the statutory National Social Security Fund (NSSF).

This is a defined contribution scheme registered under the National Social Security Act. The Polytechnic's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs 1,080 per employee per month. Other than NSSF the entity is yet to implement a defined contribution scheme which shall be operated by a Pension Fund. Employees contribute 3% while employers contribute 5% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

27. Payments received in advance.

Description	Period ended June 30,2025		Period ended June 30,2024	
	Kshs		Kshs	
Fees received in advance	2,991,201		5,251,724	
Total	2,991,201		5,251,724	
Ageing analysis:	Period ended June 30, 2025	% of the Total	Period ended June 30,2024	% of the Total
Under one year	2,991,201	100%	5,251,724	100%
1-2 years	-	%	-	-
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total	2,991,201	100%	5,251,724	100%

Baringo National Polytechnic
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Notes to the Financial Statements (Continued)

28. Cash generated from operations.

Surplus for the year before tax	Period ended	Period ended
	June 30, 2025	June 30, 2024
	Kshs	Kshs
Adjusted for:		
Depreciation	27,317,033	22,825,819
Non-Cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and Losses on Disposal of Assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	-	-
Finance Cost	49,934	29,943
Working Capital Adjustments		-
Increase in Inventory	1,026,341	- 533,861
Increase in Receivables	- 20,480,647	42,040,725
Increase in Refundable deposits	1,009,300	-
Increase in Deferred Income	7,850,268	6,797,447
Increase in Payables	28,725,344	5,251,724
Increase in Payments received in advance	2,260,523	
Net Cash Flow from Operating Activities	47,758,096	-2,769,426

Notes to the Financial Statements (Continued)

29. Financial Risk Management

The Polytechnic's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Polytechnic's financial risk management objectives and policies are detailed below:

(i) Credit risk

The Polytechnic has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The Governing Council sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Notes to the Financial Statements (Continued)

(iii) Market risk

The Polytechnic has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Polytechnic's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Polytechnic has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The Polytechnic manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

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Notes to the Financial Statements (Continued)

30. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Governing Council;

31. Capital Reserve

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Capital Reserves	233,016,492	233,016,492
Total Reserves	233,016,492	233,016,492

32. Capital fund

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Capital Fund	15,685,163	15,685,163
Total Capital Fund	15,685,163	15,685,163

33. Accumulated surplus

Description	Period ended June 30, 2025	Period ended June 30, 2024
	Kshs	Kshs
Accumulated surplus	213,034,601	192,593,538
Total Surplus	213,034,601	192,593,538

34. Events After The Reporting Period

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

35. Ultimate and Holding Entity

Baringo National Polytechnic is a Semi- Autonomous Government Agency under the Ministry of Education State Department for Technical, Vocational Education and Training (TVET). Its ultimate parent is the Government of Kenya

36. 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)
1	<p>Long Outstanding Receivables from Exchange Transactions The statement of financial position reflects a balance of Kshs.111,419,698 in respect of current portion of receivables from exchange transactions as at 30 June, 2024 as reflected in Note 17 (a) to the financial statements. The aging analysis at Note 17 (b) includes students' debtors totaling Kshs.57,333,565 in respect to the financial year 2022/2023 and earlier years whose recoverability remains doubtful. Further, no provision of bad debts had been made in the books of the polytechnic. In the circumstance; the recoverability of the receivables from exchange transactions balance of kshs 57,333,565 could not be confirmed.</p>	<p>Management has taken note of the audit concern regarding the lack of provision for bad debts. A review of the aging analysis is currently underway, and appropriate provisions will be included in the next financial year. Management is committed to improving its debt collection processes and implementing sustainable strategies to minimize arrears and enhance financial stability.</p>	Not Resolved	31 st December 2025
2	<p>Dispute in the Ownership of the Polytechnic's Land The statement of financial position reflects property, plant, and equipment balance of Kshs.352,581,017 as reflected in Note 19 to the financial statements. The balance includes a parcel of land measuring 7.2 hectares belonging to the</p>	<p>Management acknowledges the audit concern regarding the disputed ownership of a 1.6-hectare parcel adjacent to the institution's main 7.2-hectare property, which is legally owned and documented with a valid title deed valued at Kshs. 53,400,000, and</p>	Not Resolved	31 st December 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)
	<p>Polytechnic, as indicated in a copy of the title deed provided by the management with a net book value of Kshs.53,400,000. The reported balance was attributed to a valuation of land carried out in the year ending 30 June, 2024.</p> <p>Further, an adjacent portion of land measuring approximately 1.6 hectares has been encroached upon illegally and converted to a conservancy by private developers. At the time of audit in May 2025, the land was fenced off and was being utilized by private developers. Review of correspondences file provided by management revealed that the principal had written to the Ministry of Education vide a letter dated 23rd July 2024 for assistance to reclaim the land. The ultimate objectives of the polytechnic's to amalgamate the three parcels of land and secure a consolidated title deed. The process is at an advanced stage with the National Land Commission actively deliberating on the matter. In addition, an ad-hoc committee of the Governing Council is overseeing the amalgamation of the already fenced land to facilitate the issuance of the title deed. In the circumstance the accuracy, ownership and completeness of the property, plant and equipment balance of Kshs 53,400,000 as at 30th June could not be confirmed.</p>	<p>reports that the disputed land has been encroached upon by private developers who have converted it into a conservancy, prompting the institution to formally engage the Ministry of Education and escalate the issue to the National Land Commission for intervention, while an ad-hoc committee of the Governing Council has been formed to oversee the consolidation of land parcels into a single title deed.</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)
3	<p>Emphasis of Matter Budgetary Control and Performance</p> <p>The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.286,370,674 and Kshs.157,600,391 respectively, resulting to an under-funding or revenue shortfall of Kshs.128,770,283 or 45% of the budget.</p> <p>Further, the statement reflects that the Polytechnic spent an amount of Kshs.165,534,733 against a receipt of Kshs.157,600,393 resulting to over absorption of kshs 7,934,340 or 5%of the actual receipts. The under funding affected the planned activities of the polytechnic and may have adversely affected service delivery to the public. My opinion is not modified in respect to this matter.</p>	<p>Management acknowledges the audit concern regarding the variance between approved budget estimates and actual revenue and expenditure for the year, attributing the Kshs.128,770,283 (55%) revenue shortfall to lower student enrollment and delayed and partial capitation disbursements, while the Kshs.120,835,941 (42%) under-expenditure resulted from limited funding that led to prioritization of essential costs and deferral of non-critical expenses</p>	Not Resolved	31 st December 2025
1.	<p>Basis for Conclusion Ineffective Management of Human Resource</p> <p>The statement of financial performance reflects employee costs of Kshs.30,069,225 as disclosed under Note 10 to the financial statements. Review of support documentation on this expenditure revealed the following unsatisfactory matters;</p> <ul style="list-style-type: none"> Management has not complied with the Work Injury Benefits Act (WIBA) & National Industrial Training Authority (NITA) remittances as required by law. 	<p>Non-compliance with Work Injury Benefits Act (WIBA)</p> <p>Management acknowledges the importance of compliance with the Work Injury Benefits Act (WIBA). The Polytechnic has already initiated the process for WIBA cover. A proposal for the same has been prepared and approval by the Governing Council</p> <p>National Industrial Training Authority (NITA)</p>	Not Resolved	31 st December 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)
	<ul style="list-style-type: none"> • Further, there was no proof of a defined pension contribution scheme for the employee’s pending retirement was provided for audit verification. • The employee’s appraisal and evaluation reports were not provided and the Polytechnic lacks a training needs assessment, training plan, program, calendars for staff and utilization of the ERP by employees, and • In addition a list of new recruits and those exiting the Polytechnic within the year under review was not provided for audit. • Review of the records revealed that the approved staff establishment for the Polytechnic is 103 academic staff and 94 essential staff. However, the in-post staff at the institution stood at 68 academic staff and 53 essential staff leading to a deficit of thirty five (35) and forty one(41) academic and support staff respectively. No reason was provided for the failure to adhere to the approved staff establishment in the recruitment and retention of staff. In the circumstances, Management was in breach of the law and regulations. <p>In the circumstances, Management does not comply with the law.</p>	<p>Remittances</p> <p>The Polytechnic has complied with the statutory requirement to remit NITA contributions. Evidence of remittance has been attached for audit verification.</p> <p>Pension Scheme for Employees</p> <p>Management has proposed the implementation of a staff pension scheme and submitted the proposal to the Governing Council. The scheme is currently awaiting formal approval.</p> <p>Staff Appraisal and Training Needs Assessment (TNA)</p> <p>We have attached the minutes of Performance Management Committee meeting and analysis report with the training needs assessment from the appraisal process and compiled during the 2023/2024 period.</p> <p>Recruitment and Exit Records</p> <p>During the 2023/2024 financial year the Polytechnic recorded a total of 30 new hires/exits across various academic and support departments.</p>		

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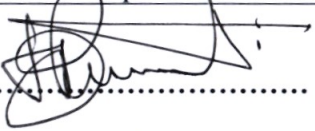
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
		<p>The staffing changes also reflect gender representation, with 16 female and 14 male staff members featured in the year's hiring and exit records, showing balanced gender participation in both teaching and essential roles. A summary list of entry and exit during 2023/2024 cycle.</p> <p>Staffing Levels against establishment</p> <p>While the approved staff establishment stands at 103 academic staff and 94 essential (support) staff, the actual in-post stood as at period ended 30th June 2024 is as follows; Analysis of our records depicts the above number of staff and not 68 and 53 respectively as reported. The 164 staff for the year 2023-2024 is based on 3505 students enrolment. The variance with staff establishment is attributed to student enrolment of 3505 during the 2023/2024 academic year. The shortfall in student enrolment rendered it impractical to justify recruitment of additional staff as per strategic plan and staff establishment which is dictated by the number of students</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)
2.	<p>Irregular Contract Renewal During the year under review, a local company was contracted for the provision of internet services at a contract sum of Kshs. 684, 000. The contract was however renewed without following due process stipulated in the procurement law such as provision of review reports by the evaluation committee. This is contrary to section 103 of the Public Procurement and Assets Disposal Act 2015 which stipulates the circumstances under which direct procurement method may be used. In the circumstances, management was in breach of the procurement laws and regulations.</p>	<p>We acknowledge the observation and confirm that the required documentation including the evaluation report of the contract committee and the professional opinion by the head of the procurement unit in accordance with Section 84 of the Act has been annexed.</p>	Not Resolved	31 st December 2025
1	<p>Basis for Conclusion Lack of Fraud Management Policy Review of the Polytechnic policy documents and operations revealed that it did not have in place a fraud management policy to assist in detecting and preventing fraud during the year under review. Further, Management did not have a risk management policy or strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal, and financial risks contrary to Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015. In the circumstance the Management may not be in a position to identify, detect and</p>	<p>The Governing Council is set to approve key policies which include the IT Strategic Plan, IT Security Policy, and IT Continuity Plan which is scheduled for 20th August, 2025 for implementation during the 2025–2026 financial year.</p>	Not Resolved	31 st September 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)
	prevent fraud in the Polytechnic.			
2	<p>Weak Information Technology (IT) Internal Controls</p> <p>As previously reported, the Polytechnic had not established an IT strategic plan as well as IT security policy to provide governance on information technology matters including policies on IT continuity plan subsequently the critical data or information may not be recovered in case a disaster occurs. At the time of audit May, 2025, the polytechnic was in the process of developing an IT strategic plan, IT security policy, and business continuity plan to strengthen governance on information technology matters. The policies are at draft level and await the approval of the Governing Council. The management is committed to operationalize the policy by 30th June, 2025. In the circumstance the adequacy and effectiveness of the IT risk management strategies and controls and processes put in place could not be confirmed and implemented changes in the system may not meet the business requirement of the Polytechnic.</p>	<p>The Governing Council is set to approve key policies which include the IT Strategic Plan, IT Security Policy, and IT Continuity Plan which is scheduled for 20th August, 2025 for implementation during the 2025–2026 financial year.</p>	Not Resolved	31 st September 2025

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Isaac Bwambok
Principal/Secretary to the Council



Appendix II: Projects Implemented by Baringo National Polytechnic

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Applied research hub		Young Africa Works		6,989,586	yes	yes

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Proposed Erection and Completion of Main Entrance Structures	9,819,162	9,819,162	100%	5,000,000(phase 2)	9,819,162	Internally Generated Funds
2	Supply, Installation and Commissioning of 165kva Emergency Generator and Accessories	5,991,530	5,991,530	100%	6,500,000	5,991,530	Internally Generated Funds
3	Roofing of BCE Workshop	4,790,800	-	50%	4,790,800	4,790,800	Internally Generated Funds
4	Temporary classrooms	8,800,000	-	100%	8,800,000	8,800,000	Internally Generated Funds
5	Kitchen Renovation	4,093,010	-	50%	4,093,010	4,093,010	Internally Generated Funds

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity: **Ministry of Education State Department For TVET**

Name of beneficiary entity: **Baringo National Polytechnic**

Confirmation of amounts received by Baringo National Polytechnic as at 30th June 2025							
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Variance	Total	Remarks
MOE/DTE/SCHO/VOL.1(3)	20.09.24	7,148,334	-	7,148,334	575.6	7,148,910	The variance of Kshs 4,198.10 is bank charges
MOE/DTE/SCHO/VOL.1(3)	20.09.24	1,094,605.70	-	1,094,605.70	575	1,095,180.70	
MOE/DTE/SCHO/VOL.1(3)	20.09.24	2,129,316.30	-	2,129,316.30	575	2,129,891	
MOE/DTE/CAP/42(19)	23.09.24	12,398,425	-	12,398,425	575	12,399,000	
MOE/DTE/CAP/44(1)	24.09.24	12,094,425	-	12,094,425	575	12,095,000	
MOE/DTE/SCHO/VOL.1(3)	24.09.24	3,103,556.80	-	3,103,556.80	575	3,104,131.80	
MOE/DTE/SCHO/VOL.1(2)	25.09.24	53,578.70	-	53,578.70	172.5	53,751.2	
MOE/DTE/CAP/46(19)	14.02.25	38,232,425	-	38,232,425	575	38,233,000	
Total		76,254,666.5		76,254,666.5	4,198.1	76,258,865.20	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name REBECCA CHEMONGA Sign [Signature] Date 08/12/2025

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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		
Fishpond	A fishpond project involves creating and managing an aquatic environment for fish production. It includes selecting a suitable site, designing the layout, and implementing necessary infrastructure	Aquaculture Production: Raising fish for food and income.	Introducing fish into the pond and managing their growth.	2,700,000	-	-	-	Internal funds	Agriculture and environmental studies department
Greening Initiative	To enhance environmental sustainability by incorporating more green spaces, improving energy efficiency, and promoting eco-friendly practices.	Environmental Stewardship: Enhancing ecological well-being through resource conservation, habitat restoration, and pollution reduction.	Tree Planting in specific designated site within the organization	-	-	23,030	45,000	Internal funds	Greening committee

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
Fire extinguishers	Safety precautions	Fire outbreak	Safety	Fire Extinguisher's	334,000	More fire extinguishers required
Back up of data	Data loss	Data protection	Recovery	External Hard disks	84,000	Cloud backup is also required