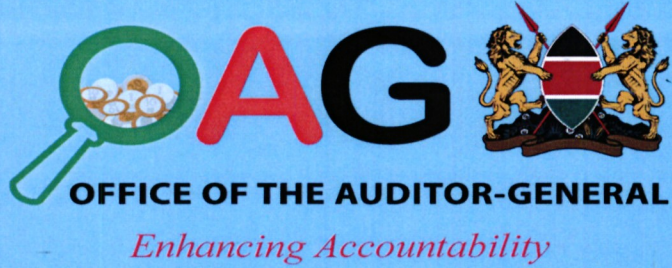


REPUBLIC OF KENYA



REPORT

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THE NATIONAL ASSEMBLY	
DATE: 26 JUL 2023	DAY: WED
TABLED	Hon Kimani Ichungwalo The leader, majority party
CLERK-AT-THE-TABLE:	Miriam Mado

THE AUDITOR-GENERAL

ON

NYANDARUA NATIONAL POLYTECHNIC

**FOR THE YEAR ENDED
30 JUNE, 2022**



NYANDARUA NATIONAL POLYTECHNIC

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2022**



Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

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I. Key Entity Information and Management

(a) Background information

Nyandarua National Polytechnic (NyNP) was established as Nyandarua Institute of Science and Technology (NyNP) in the 1980's through an initiative from the local community and leaders. The land was donated by Kenya Agricultural Research Institute (KARI). NyNP is established by and derives its authority and mandate from TVET Act 2013. The Polytechnic is wholly owned by the Government of Kenya and is domiciled in Kenya. The Polytechnic's principal activity is provision of technical and vocational education and training (TVET) research and innovation.

The idea of establishing the then NIST was to create an institution that could meet the educational and development needs of the Nyandarua Community which was mooted in early 80's by the people of Nyandarua who contributed Kshs Five (5) million towards the project. The construction of the institute began in 1996. Among the main contributors in the initial effort were parents of children in schools in the former Nyandarua District.

In the year 2005 Constituency Development Fund (CDF) from four constituencies of Nyandarua contributed Kshs. Ten (10) million which was used to complete the first classes and administration block. In March 2006, the first batch of 25 students were admitted and since then the student population has grown steadily up to 2055 students.

The Institute was elevated to a National Polytechnic vide Legal Notice No. 209 of December 2020, which gave it power to award higher diplomas, diplomas, certificates and other academic qualifications as authorized by the academic policy of the Polytechnic. In addition, the Polytechnic was granted power to award degrees in collaboration with recognized universities, promoting and establishing a culture of innovation in engineering and technology and transfer of technology amongst staff and students.

As a National Polytechnic, NyNP operations are guided by various legislations and regulations including TVET Act 2013, Science, Technology and Innovation (ST&I) Act 2013, TVET regulations 2015, Public Finance management act 2012, public procure and disposal act 2015 among others.

The long-term Vision of the polytechnic at inception was to develop a strong technological institution to play a leading role in the development of the immense resources and potential of Nyandarua region and in so doing contribute to National Development.

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The Polytechnic is ISO 9001:2015 certified and it is also under Performance Contracting. The road to certification gave the polytechnic impetus to develop home grown quality objectives to improve service delivery to its customers. Through the achievement of these objectives, the polytechnic continually makes progress in contributing to the realization of its strategic plan and the Kenya Vision 2030.

In addition to providing academic and technical skills, we seek to develop, in our students, creativity and innovativeness that enables them to integrate successfully in all areas of management in the public and private sectors.

(b) Principal Activities

VISION:

A leading global centre of excellence in technical and vocational training, research, innovation and technology

MISSION:

To cultivate a talented, diverse and inclusive workforce by providing technical and vocational training, technology, opportunities for research and innovation for current and future community and industry

MOTTO:

Skills for Empowerment

MANDATE:

The Polytechnic is mandated to:

- i. Provide technical and vocational training as well as research and innovation as per the TVET Act and Legal Notice No. 209 of 2020. We offer skills development programmes to youths and adults in technical, commercial and scientific fields relevant to satisfy the needs of the national economy.
- ii. Collaborate with industry and academia to plan and implement programmes that facilitate the acquisition of appropriate knowledge, skills, attitudes and values necessary for the development of self and the nation.

STRATEGIC OBJECTIVES

1. To equip trainees with appropriate knowledge, skills and attitudes requisite in today's dynamic global environment;
2. To enhance research, technology, innovation and incubation;
3. To upgrade the Polytechnic's training facilities and infrastructure towards world class standards;
4. To enhance collaborations, linkages and partnerships with industry and academia;
5. To establish and strengthen the Polytechnic's corporate governance;

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6. To develop, empower and retain adequate and high caliber staff;
7. To promote equity and inclusivity in accessing service delivery

(c) Key Management

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

- i. Governing Council- made up of nine members appointed by the Cabinet Secretary, Ministry of Education. This is the overall management organ of the polytechnic;
- ii. Academic Board- made up the Principal, Deputy Principals and Heads of Academic Departments. The board is in charge of all the academic matters of the polytechnic;
- iii. Management Board- made up of the Principal, Deputy Principals and key senior administrators. The Board is the Polytechnic senior management team responsible for managing the Polytechnic strategy and policy.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Felix Mung'atu
2.	Deputy Principal Academic and Student Affairs.	Jacob Mwangi
3.	Deputy Principal, Planning, Administration and Finance	Mary Ng'ang'a
4.	Registrar	James Wanjohi
5.	Dean of students	Elikana Waithanje
6.	Head of Finance	Monica Ndirangu
7.	Head of Procurement	Stanley Ndirangu
8.	Head of Building Department & in charge of Infrastructure	Stephen Karanja
9.	Head of Quality Assurance and Standards Officer (QASO)	George Macharia

(e) Fiduciary Oversight Arrangements

Oversight of polytechnic activities is carried out by various committees including but not limited to the following:

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Annual Report and Financial Statements for the year ended 30th June 2022

Audit and risk committee

The purpose of the audit committee is to provide assistance to the council in ensuring effective and economic management of finances and to establish and maintain appropriate systems of internal control and risk management. Duties and responsibilities will include:

- i) Review and provide oversight on governance initiatives established by the council and maintained by the Polytechnic.
- ii) Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- iii) Review and provide oversight on the establishment, implementation, maintenance, and effectiveness of risk assessment, risk management, and risk reporting practices.
- iv) Provide an independent review of an entity's reporting functions to ensure the integrity of financial reports.
- v) Monitor the effectiveness of the polytechnic's performance management and performance information.
- vi) Provide strong and effective oversight of the polytechnic's internal audit function.
- vii) Provide effective liaison and facilitate communication between management and external audit.
- viii) Provide oversight of the implementation of accepted audit recommendations.
- ix) Ensure the entity effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.
- x) Review and provide advice to the Council on the key financial management and performance reports and disclosures issued to the public.
- xi) Review regular reports on implementation status of approved management action plans resulting from prior internal audit recommendations.
- xii) Review and provide oversight on the organization's internal control framework. Keep informed on all significant matters arising from work performed by any governance, risk, and control assurance providers.
- xiii) Approve and periodically review the polytechnic's audit policy.

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- xiv) Review and approve an internal audit plan. The audit plan should be risk-based and supported by appropriate risk assessments

Finance, Infrastructure and Human resource committee

This committee shall deal with all financial matters of the polytechnic and scheme of service for COG staff and all other human resource related issues. The Committee's roles are to:

- i. Formulating strategies, operational plans and budgets for approval by the Council
- ii. Identification of material risks and in conjunction with the Audit Committee, formulation of mitigation, management of the risk, monitoring of effectiveness of the risk management processes and reporting to the Council
- iii. Ensure that the Polytechnic follows and adheres to proper financial and accounting procedures.
- iv. Ensure compliance with all statutory regulations in respect of financial and other Polytechnic's management matters.
- v. Ensure that the Polytechnic keeps all financial records on a proper accounting basis
- vi. Provide reports on financial statements and audited accounts to the Council Members during Council meetings and or any special Council or general meeting.
- vii. Advise the Council on financial management, resource mobilization, and administration
- viii. Formulating terms and conditions of service and reviewing the same for COG staff for Council approval;
- ix. Oversee the conduct of interviews for employment, appointment and promotion of members of faculty and staff from grade 13 and below and submit reports to council;
- x. Consider and recommend for approval terms and conditions of service and criteria for recruitment, appointment and promotion of staff;
- xi. Oversee the development and implementation of a Human Resource strategy;
- xii. Receive and consider reports on staff welfare;
- xiii. Receive and consider proposals for the provision of Occupational Safety and Health facilities and systems for staff and students;
- xiv. Receive, consider and recommend for approval regulations governing students and staff conduct and discipline;
- xv. Receive, consider, discuss and recommend to council proposals on staff establishment of the Polytechnic;

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- xvi. Adjudicate on staff and student disciplinary appeals;
- xvii. Oversee the mainstreaming into policies and practices on gender balance, equality of opportunities, equalization of persons with disabilities, minorities and other marginalized groups and submit reports to Council;
- xviii. Receive reports on gender balance, equality of opportunities, equalization of persons with disabilities, minorities and other marginalized groups
- xix. Transact any other business as directed by Council

Education, Research, and Training Committee

This committee shall deal with all matters related to curriculum implementation, training, research and other academic issues. These shall include:

- i) Monitoring compliance with education policies, processes and codes of conduct approved by the Council;
- ii) Identification and adoption of information, Communication Technology processes;
- iii) To satisfy itself regarding the content and academic standard of any course of study in respect of any diploma, certificate or other award and to report its findings thereon to the Council.
- iv) To propose regulation for consideration by the Council regarding the eligibility of persons for admission to a course of study,
- v) To propose regulations for consideration by the Council regarding the standard of proficiency to be gained in each examination for a Diploma, certificate or other award.
- vi) To approve programmes of study, regulate admission of persons to the polytechnic and determine their continuation or discontinuation in such programmes.
- vii) To determine the Academic policy of polytechnic and to advise the council on the provision of facilities to carry out that policy,
- viii) To direct and regulate the training and instruction within the polytechnic subject to the powers of the council.
- ix) Curriculum and academic standards of any course of study.
- x) Determine Academic affiliations, linkages, partnerships and associations.
- xi) Promotion of research and innovation work in the polytechnic and dissemination of the findings.
- xii) Quality standards and assurance of education, training, research and innovation.
- xiii) The Constitution of the Students' Association.

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- xiv) Receive and consider reports on students' welfare;
- xv) Oversee the constitution of an Alumni Association and receive reports on their proposals and recommendations;
- xvi) Transact any other business as directed by Council.

Development partner oversight activities

The polytechnic has entered into partnership with national and international partners including KARLO, CIGan and Mastercard foundation. The Polytechnic is in the process of developing a framework for the strengthening the effectiveness development cooperation with the aim of ensuring that all the available resources are mobilized and used in ways that maximise their potential in the realization of our goals and priorities. The framework will be in line with the public Service framework on resource mobilisation for training and capacity building for the public service.

Key Entity Information and Management (Continued)

(f) Nyandarua National Polytechnic Headquarters
P.O Box 2033-20300
Nyahururu-Gilgil Highway
Kenya

(g) Nyandarua National Polytechnic Contacts
Telephone: 0727256001 / 0732335757
E-mail: info@nyandaruanationalpoly.ac.ke
Website: www.nyandaruanationalpoly.ac.ke

(h) Nyandarua National Poltechnic Bankers
Equity bank
P.O. Box 75104-00200
Nairobi.
Co-operative Bank
P.O. Box 48231 - 00100,
Nairobi.

(i) Independent Auditors




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



(j) Principal Legal Adviser

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

II. The Governing Council

<p>Prof E.G. Wagaiyu</p> 	<p>Chairman Council</p> <ul style="list-style-type: none"> • Professor (Consultant). • PhD in Periodontology from University of Nairobi. • Master of Science in Periodontology from University of London, united Medical and Dental schools, Guys Hospital U.K, • Bachelor of Dental Surgery from University of Nairobi • DOB: 1958
<p>Felix Mung'atu</p> 	<p>Secretary Governing Council and all Committees.</p> <ul style="list-style-type: none"> • Holds Master of Philosophy in Education Communication, BED in Automotive. • Principal, Nyandarua National Polytechnic. • DOB:1968
<p>James Nyambune</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • PS representative • Principal Technical Educational Officer • DOB: 1965





<p>Feisal Abdikadir Aden</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • Master of Education in Leadership and Education Management – ongoing. • Master in Management Information Technology. • Bachelors Degree in Business Information Technology. • Diploma in Business Administration • DOB: 1988
<p>Eng. Venansio Mbataru Kariuki.</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • Director / CEO Millenium Star Enterprises Ltd, An Independent Petroleum dealer company inNBI. • Chairman Kenya Independent petroleum dealers association (KIPEDA) • Bachelor of civil Engineering Degree [B.Eng. civil] – Kingston Polytechnic LONDON-U.K. {now University of Kingston Upon Thames} – 1987. • Ordinary Diploma in Mechanical Engineering. Kenya Polytechnic – 1982. • DOB: 1956
<p>• FA Ben Masawa Sanda</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • Ag. Chief Financial Officer - The Technical University of Kenya (TU-K) • Masters of Arts in Economics • Public Sector Financial Management Course Kenya School of Government • ISO 9001:2008 Lead Auditors Course Kenya School of Government.

	<ul style="list-style-type: none"> • Certified Securities & Investment Analysts (CSIA). • CIFA Membership No. FA/00076 • Certified Public Accountant (CPA-K). • ICPAK Membership No.11018 • DOB: 1976
<p>Jacob Tom Ojwando</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • Principal Accountant-National Treasury/MOE(SDVT) • MBA –(Finance Option):Maseno University • Bachelor of Commerce – Accounts Option (Second Class Honors): Catholic University of East Africa • C.P.A. I, II and III (CPA K) ; Vision Institute • K .A.T. C Graduate Dima College • DOB: 1972
<p>Miriam Wambui</p> 	<p>Council Member</p> <ul style="list-style-type: none"> • Founder and Executive Director, Scope and Impact Ltd. • Launched a HR digital platform dubbed iSCOPE HR. • Currently pursuing a Masters in Leadership and Sustainability. • BSc in Nutrition and Chemistry from the University of Eastern Africa Baraton. • Higher National Diploma from the Institute of Human Resource Management. • Senior Member, IHRM (K) • Accredited Executive Leadership Coach by AoEC • Member, Technical Committee Kenya Bureau of Statistics (KEBS) • Member by affiliation, American Workforce • Member, Institute of Directors Kenya




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	<ul style="list-style-type: none"> • Member, Council of Governors’ Secretariat (infrastructure and urban development workstream) representing IHRM(K) • Member, Women in Business East Africa • Green Horn Mentor, University of Nairobi • Member, Business Forum International (BNI) Legacy Chapter • Life Member, YMCA Kenya Chapter • DOB:1975
<ul style="list-style-type: none"> • Joel Sigilai 	<p>Independent Council Member</p> <ul style="list-style-type: none"> • Advocate of the High Court of Kenya. • Holds a Bachelor of Laws Degree from University of Nairobi. • DOB: 1973
<ul style="list-style-type: none"> • Eng .George K. Matoke MSc. {Eng} 	<p>Council Member</p> <ul style="list-style-type: none"> • Retired civil servant • Private practice. • PhD. in Renewal Energy Engineering- Kenyatta University • MSc. Engineering systems & Management- • DOB: 1965


III. Management Team

No.	Member	Details
1.	 <p>Felix Mung'atu Master of Philosophy in Education Communication, BED in Automotive Engineering.</p>	Chief Principal
2.	 <p>Mary Njane B.ed(Science), M.Sc. Applied Mathematics</p>	Deputy Principal, Planning, Administration and Finance
3.	 <p>Jacob Mwangi M.ed Educational Administration, B.ed. (Science), Diploma Education Management.</p>	Deputy Principal, Academic and Student Affairs
4.	 <p>James Wanjohi</p>	Registrar

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	M.sc. Chemistry, B.sc Maths/Science	
5.	 Elkana Waithanje B.Sc. Electrical/Electronic Engineering, Diploma in Technical education.	Dean of Students
6.	 Monica Ndirangu MBA (Strategic Management) B.Com (Accounting Option), CPA- K,CS II, ICPAK Member No.20670	Chief Finance Officer
7.	 Stephen Karanja Diploma, Technical Education.	HOD Building and Civil Engineering.

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	 <p>George Macharia Bed. Arts (Uon), CPA II</p>	Quality Assurance and Standards Officer
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IV. Chairman's Statement

It gives me great pleasure to present the Nyandarua National Polytechnic (NyNP) annual report and financial statements for the year ended 30th June 2022.

During the year under review, the polytechnic made strides towards carrying out our mandate as a newly launched national Polytechnic. I acknowledge the NyNP commitment to producing well equipped graduates in Technical and Vocational Education and Training (TVET). NyNP is keen in ensuring that TVET programmes pursued, will enable the trainees acquire the necessary skills, knowledge, experience and confidence to be exemplary leaders in their professions and to be role models in their communities and become responsible citizens wherever in the world their careers might take them.

Technical, Vocational, Education and Training (TVET) provides knowledge, skills and attitudes that have become a key driver of growth and development globally. Production of knowledge intensive, technologically sophisticated, higher value goods and services is not possible without a trained management cadre and labour force with the appropriate mix of technical and vocational skills. In view of this, it is imperative to ensure that there exist enabling and friendly environment that will enhance delivery of quality TVET programmes for sustainable development of Kenya and beyond. To this end, I am delighted to note that much has been achieved during the year despite challenges faced. We have paved our walkways, improved drainage and increased our sanitary facilities to improve our work environment.

Our elevation to a National Polytechnic in December 2020 couldn't have come at a better time for us. It provided us with the impetus to reinvigorate ourselves and take a pivotal role in making our institution a force to reckon with in the region and nationally.

We are proud to be part of the TVET sector where we provide knowledge, skills and attitudes that have become a key driver of growth and development globally. Production of knowledge intensive, technologically sophisticated, higher value goods and services is not possible without a trained labour force with the appropriate mix of technical and vocational skills. In view of this, we have put efforts to ensure that there exists an enabling and friendly environment that will enhance delivery of quality TVET programmes for sustainable development of Kenya and beyond.

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NyNP is keen in ensuring that TVET programmes pursued, will enable the trainees acquire the necessary skills, knowledge, experience and confidence to be exemplary leaders in their professions and to be role models in their communities and become responsible citizens wherever in the world their careers might take them.

The Council is committed to embracing best practices in the industry and during the year under review we have facilitated various benchmarking exercises as we prepared to launch various programs that are skill oriented and more relevant to the industry. To this end and in recognition of our status as a Qualification awarding institution(QAI) we have commenced the process of developing tailor-made curricula in conjunction with our development partners in the area of Agriculture. We have also benchmarked with our peers at the national level on the best practices for national polytechnics.

As the governing the Council we are mandated to mobilize resources and utilize them effectively and efficiently to promote technical and vocational training. This mandate is enshrined in our Strategic Plan 2021-2026 which has been aligned with the “Big Four” agenda, Vision 2030 and SDGs. The Strategic Plan will provide the Polytechnic with a road map in carrying out her new mandate as a National Polytechnic, and manage the anticipated fast growth in terms of student population, infrastructure, training programmes and labour force. It also provides a basis for overcoming perceived challenges in achieving the desired educational and training goals.

During the year the council completed the construction of engineering workshops and training rooms for use by the Building and Civil Engineering department which is our centre of excellence. We however regret that we could not accomplish most of our priority projects as a result of financial constraints.

In the recent past, the polytechnic's student population has grown as a result of collaborations with the NYS, KUCCPS and other stakeholders thus exerting pressure on our existing resources and facilities. We have however not attained the requisite number of trainees especially in business related courses which have seen a decline in numbers. We are implementing a mix of interventions to mitigate this situation.

To this end we continue to appeal for support for the projects in our strategic plan such as a modern automotive garage, classrooms, science laboratory, student hostels among others to enable us achieve our core mandate in the provision of quality teaching, research and innovations.

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A collaborative effort from our partners is paramount if we have to realise the TVET Agenda and I urge development partners and other stakeholders to back up our efforts.

The Covid-19 pandemic has also had an impact on our resources and we are committing every effort at our disposal to make sure we come up with innovative ways of mitigating the effects of the pandemic. Through innovation we are confident that we can turn the risks posed by the pandemic into opportunities for growth.

We are committed to the prudent utilisation of the public funds which has been placed under our stewardship.



Prof. E.G. Wagaiyu
CHAIRMAN, GOVERNING COUNCIL

V. Report of the Principal

It is with great pleasure to present the Nyandarua National Polytechnic (NyNP) annual report and financial statements for the year ended 30th June 2022.

During the year under review the polytechnic has continued to carry out her mandate of offering a diverse outstanding TVET programs in a way that provides trainees with the best opportunity to achieve success and to enjoy their years here. We have put measures during the year to improve the various aspects of our institution to provide the requisite policy direction and resources to diversify the courses offered and improve on the existing ones.

It is important to note that since our elevation, there has been a remarkable shift in focus from an Institute of Science and Technology to a National Polytechnic. To this end, during the year under review we have embarked on the process of formulating policies and procedures to guide our future protectory. We have formulated and started the implementation of the Strategic Plan, Finance policy, Human resource policy, risk Management policy, Quality Assurance Policy and the scheme of Service for Council staff among others.

This is an indication that we are ready to take up the challenge of our new status. The elevation is an indicator that the Kenya government through the Ministry of Education is cognizant of our commitment to continue to improve our competitiveness in TVET. The new status will enable the polytechnic to take a national focus in service delivery.

We have taken great strides towards the implementation of new CBET curriculum by training our trainers in collaboration with CDACC. Implementation of the CBET system will however require investment in terms of staff, equipment and other infrastructure. We are also cognizant of our mandate as a QAI and we have already applied to the Kenya National Qualifications Authority (KNQA) for accreditation. The process of developing curricular and certification framework is however expected to utilize massive resources which are constrained.

In the field of research and innovation the Polytechnic has entered into partnership with the Kenya industrial property institute (KIPI) on the patenting of innovations by staff and trainees. We are also in the process of establishing a Technology and Innovation Support Centre (TISC)

Our Research, Development and Innovation department has also spearheaded award winning innovations among our staff and trainees. Notable among them is the semiautomatic mat making machine which was outstanding during the RVTTI TVET fair in during the year. The polytechnic has developed a patenting policy in collaboration with KIPI to guide in the incubation and eventual

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commercialisation of the innovations for the mutual benefit of the institution and the budding innovators.

Towards the realisation of the 'Big Four' agenda, NyNP has continued increasing the land under cultivation to at least 25 acres as a contribution to food security. We have also commenced the process of training on mushroom production.

As we take our deserved place as the 12th National Polytechnic in the country, we acknowledge the importance of collaborations and partnerships with stakeholders including the industry and academia. These will enable us to provide market driven and relevant courses so that our graduates can take their place in the transformation of our country. We now have a mandate of developing our own curricular and partnering with universities to offer degrees.

We have signed MOUs with various national and international partners among them the colleges and institutes Canada (CICan) under the Young Africa Works/Mastercard on the establishment of centres of excellence in horticulture related CBET programs, KIPi on patenting and establishment of a TISC centre.

We have also signed an agreement with the Kenya Agricultural and Livestock Research organization (KALRO) on potato seed multiplication and are in advanced stages of signing an MOU with the National Industrial Training Authority (NITA) and Kenya School of Government (KSG) on accreditation as a training centre.

In our pursuit of providing all round graduates we also participated co-curricular activities including sports, trade fairs and robotics, and Presidents Award Scheme which inculcates values of patriotism and service to the nation to our trainees.

During the year the polytechnic has implementing a massive programme of improving our infrastructure including the laying of cabro in all our walkways, construction of carpentry and masonry workshops, offices and training rooms for building and civil engineering. We have also increased our water storage capacity by erecting a water tower and installing tanks with a capacity of 100,000 litres. The sanitary facility for our staff is was done to 90% completion during the year under review.

Despite these successes, we have faced numerous challenges of mobilizing adequate funds to build training rooms, hostels and developing new infrastructure to cater for the increase in population and also match the industry trends to ensure relevance in training. We acknowledge that we require

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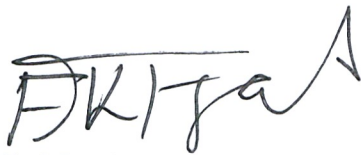
a lot of investment in both financial and human capacities which continue to stretch the scarce financial resources at our disposal.

The challenge is also compounded by the heavy financial burden incurred by the institution as remuneration for trainers hired under Governing Council terms as the PSC has not been able to provide adequate human resource to enable the polytechnic deliver her mandate. It is our hope that the bodies concerned with the hiring the TVET trainers will expedite the process to relieve us of the burden and therefore channel the resources to other pressing issues. The other challenge is the Covid-19 which has affected enrolment, payment of fees and adversely affected the available space in our training rooms laboratories and workshops. We also have undergone considerable expenditure in complying with the Ministry of Health guidelines for mitigating the effects of the pandemic.

We would like in a special way to thank the Government of Kenya for the renewed commitment to TVET and recognising technical training as a vehicle for achieving the vision 2030. The funding of trainees through capitation and provision of loans and bursaries by HELB is greatly appreciated as is the provision of training equipment and machinery.

We also thank the Ministry of Education, the directorate of vocational and technical training, AfDB and our development partners for supporting NyNP in its efforts to deliver quality and market driven programmes. We remain committed to quality training and declare our resolve to continue addressing the opportunities and challenges that come our way more so, in playing our role in the realization of the 'Big Four' Agenda.

We also greatly appreciate the Council, staff, students and all stakeholders who have contributed greatly in their own way to make the Polytechnic a 'leading global centre of excellence in technical and vocational training, research, innovation and technology'



Felix Mung'atu

CHIEF PRINCIPAL

VI. Statement of Performance against Predetermined Objectives

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

Nyandarua National Polytechnic has seven strategic pillars and objectives within current Strategic Plan for the FY 2021/22 - FY 2026/27. These strategic pillars are as follows:

STRATEGIC PILLARS

1. Training and skills development
2. Research and innovation
3. Enabling environment
4. Collaborations and partnerships
5. Oversight and governance
6. Human resource development
7. Equity and inclusion

Nyandarua national polytechnic develops its annual work plans based on the above seven pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Polytechnic achieved some of its performance targets set for the FY 2021/22 period for its seven strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
1. Training and skills development	To equip trainees with appropriate knowledge, skills and attitudes requisite in	<ul style="list-style-type: none"> • No. of training rooms, workshops • New curriculum for tailor made programmes 	<ul style="list-style-type: none"> • Construction of training rooms, workshops • Review academic programmes to ensure market relevance and applicability 	<ul style="list-style-type: none"> • Masonry and carpentry workshops completed • Initial CBET programs assessment done

Nyandarua National Polytechnic
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	today's dynamic global environment;		<ul style="list-style-type: none"> • Diversify modes of curriculum delivery 	<ul style="list-style-type: none"> • LMS developed for e-learning
2. Research and innovation	To enhance research, technology, innovation and incubation;	<ul style="list-style-type: none"> • Research policy • IP Policy • TISC centre 	<ul style="list-style-type: none"> • Review and implement a Research Policy • Develop intellectual property policy • Establish and operationalize TISC centre in collaboration with KIPI/WIPO 	<ul style="list-style-type: none"> • Policies reviewed • MOU signed with KIPI
3. Enabling environment	To upgrade the Polytechnic's training facilities and infrastructure towards world class standards;	<ul style="list-style-type: none"> • Master plan • Cabro laid in m² 	<ul style="list-style-type: none"> • To develop and adopt a master plan that depicts a world class Polytechnic • Lay additional cabros on walk ways 	<ul style="list-style-type: none"> • Master plan developed and approved • Cabro laid 6300m²
4. Collaborations and partnerships	To enhance collaborations, linkages and partnerships with industry and academia;	<ul style="list-style-type: none"> • Policy on collaborations • Areas of collaborations • MoUs 	<ul style="list-style-type: none"> • Develop a policy on collaborations and linkages • Identify areas of collaborations • Signing of MoUs 	<ul style="list-style-type: none"> • Areas of collaboration already Identify

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5. Oversight and governance	To establish and strengthen the Polytechnic's corporate governance;	<ul style="list-style-type: none"> • Guiding policies, operational charters, statutes • Working committees • Restructured QA 	<ul style="list-style-type: none"> • Develop guiding policies, operational charters, statutes • Establish working committees • Restructure quality assurance 	<ul style="list-style-type: none"> • Policies developed and/or reviewed • Committees established • QA restructured
6. Human resource development	To develop, empower and retain adequate and high caliber staff;	<ul style="list-style-type: none"> • Reviewed policies • Funds allocated for staff development 	<ul style="list-style-type: none"> • Review the HR policies and procedures manual • Allocate funds for staff development activities • Establish and implement a meritorious scheme 	<ul style="list-style-type: none"> • Policies reviewed • Funds allocated • Meritorious scheme on course
7. Equity and inclusion	To promote equity and inclusivity in accessing service delivery	<ul style="list-style-type: none"> • Walkways • Parking slots • Sanitation facilities • Reviewed policies 	<ul style="list-style-type: none"> • Provision of walkways • Parking slots • Sanitation facilities for persons with disabilities • Review and implement gender and Disability mainstreaming policies • Strengthen Alumni network 	100% complete

VII. Corporate Governance Statement

The polytechnic has put in place a Charter which provides as follows:

The Council

(1) The Council members shall comprise Nine (9) Members as follows-

- (a) Chairperson,
- (b) The Principal Secretary in the Ministry for the time being responsible for matters relating to technical and vocational education and training,
- (c) The Principal Secretary in the Ministry for the time being responsible for finance; and
- (d) Five members appointed by the Cabinet Secretary by virtue of their knowledge and experience in:
 - (i) Leadership and management;
 - (ii) Financial management;
 - (iii) Industry;
 - (iv) Engineering;
 - (v) Information communication Technology
 - (vi) Law.
- (e) The Principal, who shall be an ex-officio member and the Secretary to the Council.

Appointment to the Council

The members of the council shall be appointed by the Cabinet Secretary Ministry of Education after wide consultation from strategic partners and individuals who share the same values, commitments and have an interest to work with NyNP. The recruitment to Council membership shall be through head hunting, recommendations by management, staff and other Council members, interviews and consensus among the Council members.

Powers and Duties of the Council

Generally, the Council of Members will have the following roles:

- i) Ensure that a proper management structure is in place and that the management maintains the corporate integrity, reputation and responsibility of the Polytechnic;
- ii) Monitor and evaluate the implementation of strategies, policies, and management plans of the Polytechnic;
- iii) Constantly review the viability and financial sustainability of the Polytechnic at least once in every year;
- iv) Ensure that the Polytechnic complies with all the relevant laws, regulations, governance practices and accounting and auditing standards;

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- v) Oversee the conduct of education and training at NYNP in accordance with the provisions of the TVET Act and any other written law;
- vi) Promoting and maintaining standards, quality and relevance in education and training in NYNP;
- vii) Administer and manage the property of the polytechnic;
- viii) Develop and implement NYNP strategic plan;
- ix) Prepare annual estimates of revenue and expenditure for the Polytechnic and incurring expenditure on its behalf;
- x) Making regulations governing Polytechnic, conduct and discipline of the staff and students;
- xi) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the TVETA Council;
- xii) Providing for the welfare of the students and staff of the polytechnic; and
- xiii) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Polytechnics;

Conflict of Interest

- a) 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 matter come to knowledge of the member, disclose the nature of such interest, and shall not be present during any deliberations on the matter.
- b) A disclosure of interest made under paragraph (a) shall be recorded in the minutes of the meeting at which it is made.
- c) A member of the Governing Council who contravenes subparagraph (a) commits an offence and shall be liable as stipulated in the Act.

Commitment in Attending to the Polytechnic Affairs

- a) Council members are expected in the exercise of their role as Members to have the commitment, time, availability and energy to give due attention to the affairs of the Polytechnic. In this regard, Council members have the duty to regularly attend all council meetings and committees on which they serve.
- b) Failure to attend three consecutive meetings of the Council without a written apology constitutes a ground for termination of a Council member.

Setting of performance targets

The Council shall set its performance targets based on the strategic plan and performance contracts signed by both Council and Management.

Evaluation

By adopting the Corporate Governance Guidelines, the following methods may be used in Council evaluation:

- a) Self-assessment carried out once a year; and
- b) End of council Term Report

Induction

The chairman of the Council ensures members when appointed participate in appropriate induction process an induction and are thereafter continually developed based on identified development needs.

Remuneration and expense reimbursement Policy

The remuneration of the Members shall be within the benchmarks set by the TVET Act and relevant circulars from the PSC more specific in reference to ability to pay and shall be by way of sitting allowance only. The Members may also be paid all travelling expenses from their ordinary place of residence to the place where the meetings of the Members or any committee of the Members or general meeting of the polytechnic in connection with the business of the polytechnic.

VIII. Management Discussion and Analysis

Operational and financial performance

During the year under review, the Polytechnic was committed to embracing best practices in the industry and have facilitated various benchmarking exercises as it prepares to launch more CBET programs that are skill oriented and more relevant to the industry. In the area of collaborations and partnerships, the Polytechnic collaborated with Colleges and Institutes Canada (CICan) in the area of research in value addition of Irish Potato.

During the year the Polytechnic registered a deficit of Kshs **(19,903,769)**.

The Council will continue the implementation of the 2016-2021 Strategic Plan with an emphasis on new status as a National Polytechnic.

Governance

The Council of Governors notes that the Polytechnic has complied with all Financial and Governance Policies and Laws as stipulated by the Constitution of Kenya, 2010. Provisions of chapter 12 on Principles of Public Finance have been followed both in letter and spirit on all the financial management decisions of the Polytechnic. The management has also complied with the Provisions of Chapter 6 of the Constitution in defining its Governance Structures as well as the Provisions of the Public Procurement and Asset Disposal Act, 2015 that preclude any instances of conflict of interest.

Key projects and investment decisions the entity is planning/implementing

The Polytechnic implemented a number of development and improvement projects funded by A-I-A. As at the end of the year, the total expenditure incurred on acquisitions was Kshs 80,773,394.93 which was within the estimated expenditure voted for the year, inclusive of Work In Progress (WIP).

Nyandarua National Polytechnic compliance with statutory requirements

The Polytechnic did not have any compliance issues relating to its statutory requirements

Major Risks

The Polytechnic does not foresee any major risks in its financial operations. The Council of Governors has been able to mitigate risk especially in the key areas of Operation, Credit, Liquidity and Capital to minimal levels. The Council has put in place strong financial management policies and these have been customised by the management into equally strong internal controls that give assurance on the propriety of the Institution's systems of control. This position is supported greatly by the significant investment in strong internal controls that safeguard the Polytechnic's assets and liabilities. The Polytechnic's credit risk is mitigated and protected by holding deposits in state approved and reputable banking institutions namely, Equity and Cooperative Bank. The Polytechnic holds high quality fees debts that are continuously being monitored with a major portion being Receivables underwritten by GOK institutions - NYS and HELB. The Polytechnic's capital risk was minimal since at the end of this year the Polytechnic had no external borrowing. The same applies to liquidity risk where the total Current Liabilities at **Kshs 9,157,363** was **15.1%** of Current Assets holding which was standing at **Kshs 60,627,423**.

Material arrears in Statutory/Financial Obligations

The Polytechnic complied with all laws and key regulation that relate to its statutory obligations under the NSSF, NHIF, INCOME TAX and LABOUR Laws of Kenya. The Polytechnic has also complied with PFM laws that relate to Public Procurement and Asset Disposal, Annual Estimates and Financial Reporting.

IX. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

The polytechnic is cognizant of the 17 Sustainable Development Goals adopted by UN Member States in transforming our world: the 2030 Agenda for Sustainable Development. Our performance contract for FY 2021-2022 has a commitment to make further advances on social progress, economic growth and environmental protection, balancing the three pillars of sustainable development.

Sustainability prompts us to think in terms of the future and using global perspective, recognising the connections between economy, society and ecology. The concept carries the aim of improving quality of life for people and communities across the globe, whilst protecting the natural systems upon which life depends.

Sustainability at the Nyandarua national polytechnic is about understanding the wider consequence of our current activities while using learning, imagination and leadership to support societies towards more sustainable futures.

Our shared understanding of sustainability is based on internationally agreed principles of learning and change for sustainability, providing a working definition adaptable to different areas of professional and academic practice.

Moving into the future the polytechnic will formulate a sustainability strategy based on the following pillars:

Leadership and Governance – sustainability informs our organisational direction and culture: Sustainability principles underpin our core purpose as a polytechnic, including the experiences of our students, the professional practice of our staff, and the wellbeing of our community.

Student Experience – sustainability provides distinctive capabilities for our graduates:

Our students develop their future focus, global outlook and the ability to innovate and lead change in support of sustainability, which is increasingly critical for professionals in all sectors.

Academic Innovation – sustainability is integral to our learning, teaching and research:

Education for Sustainability principles will be integrated into our framework of graduate attributes and help to increase the quality and value of our academic practice and scholarship

Business Operations – sustainability is an essential corporate improvement priority:

Sustainability is central to our practice as a responsible employer, in tackling negative impacts, creating value and bringing positive benefits to staff, students and communities.

Collaborations and Partnerships – sustainability adds value to our collaborations at all levels:

Sustainability guides our local, national and international relationships, enhancing our role as an anchor institution in our region and a stimulus for innovation.

Environmental performance

Introduction

Environmental Sustainability – refers to concerted efforts to mitigate against environmental degradation. It is the maintenance of the factors and practices that contribute to the quality of environment on a long-term basis. Environmental sustainability involves making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capability of the environment to support human life. Sustainability means “meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

The polytechnic is committed to environmental sustainability and has undertaken the following initiatives.

- Establishment and operationalization of environmental sustainability committee;
- Compliance with the Environmental Management and Coordination Act (EMCA);
- Carrying out an Environmental Sustainability Audit on compliance with EMCA-
- Participating in activities of ‘Greening TVET’ including planting of trees in collaboration with our partners eg. Equity Bank.
- Waste management practices including the segregation of waste.

We are however faced with challenges of managing electronic waste and in that respect, we are exploring partnerships with persons or organizations that have the knowhow of managing this waste. As we move into the future the Environment sustainability committee will be tasked with developing an environmental sustainability policy

Employee welfare

Recruitment

Nyandarua national Polytechnic (NyNP) has a Human Resource Policies and Procedures Manual and a Schemes of Service that governs the management of human resources. The manuals are to be reviewed when changes are necessary with authorization of the Governing Council but not later than three years.

The Polytechnic is enrolled on the Fuzu portal in conjunction with national council for the persons with disability (NCPWD)

Strictly following the labour laws and our policies has ensured healthy employee relations and currently, we have zero labour-related court cases.

The job description and specifications are derived from the provisions of the Schemes of Service informs the job advertisement. The advert also clearly specifies that the institution is an equal opportunity employer.

The Human Resource Policies and Procedures Manual provides the following guidelines for recruitment:

- a) Where vacant positions are to be filled through open advertisement, applications shall be invited through the print media with wide circulation. The applicants shall be allowed at least twenty-one (21) days before the advert is closed.
- b) The advert shall have the following details: The title of the post, number of vacancies, job description, person specification, and the proposed remuneration.
- c) The Head of Human Resources will notify the successful candidates as soon as possible but not later than fourteen (14) days.

Career Management

The institution avails opportunities to all staff to be trained essential skills that enhances their performance and service delivery.

The schemes of service outlines clearly the career progression of each cadre and the requirements to qualify the next grade.

The staff are also encouraged to be members of relevant professional bodies and improve their skills through continuous learning. Those who are members of professional bodies the polytechnic caters for their annual membership fees.

Performance Appraisal

The staff were sensitized to performance management and its relevance to the institution. They were also guided on to go about goal and target setting which will form the basis of the performance appraisal.

Rewards

Based on the scores of performance appraisal, the institution has a meritorious scheme that governs the rewards and sanctions on performance.

Occupation Safety and Health Act of 2007, (OSHA).

Nyandarua national polytechnic in her mandate to offer quality training adhere to set OSHA policy by undertaking various activities;

1. Undertaking capacity building for trainers, staff and trainees in technical departments on safety measures and firefighting techniques.
2. Adhere to occupational safety standards operating procedure by ensuring use of PPE's for various disciplines.
3. Operationalize an OSHA policy in the polytechnic, by ensuring mandatory inspection's and audit's.

Market place practices-

- a) Responsible competition practice.

Anti-corruption: - the polytechnic has appointed a committee who is responsible with anti-corruption.

Responsible political involvement: - coordinating well with the national and county government.

Fair competition: - through open tendering and request for quotations

Respect for competitors: - we have respected competition by giving out request for quotations and open tenders so that bidders to compete in any tender.

- b) Responsible Supply chain and supplier relations

The Polytechnic has maintained good business practices by issuing request for quotations and open tenders for competitive bidding. We have honored contracts and payment of invoices within **60** to **90** days.

- c) Responsible marketing advertisement to maintain ethical marketing practices through

1. Charging the fees available in the marketing materials without any hidden charges

2. Ensuring the courses advertised are offered
3. Giving marketing information without exaggerating
4. Marketing without antagonizing our competitors

Corporate Social Responsibility / Community Engagements

NyNP recognizes the need for Corporate Social Responsibility (CSR) and engages in various activities. In the year under review, we engaged in a community health services where we had screening for various ailments e.g., HIV, Prostate Cancer, Cervical Cancer, Breast Cancer, Hypertension etc. We also attended public forums and visited secondary schools to offer career guidance.

Human Resource

NyNP recognizes that health, safety and training, play a key in ensuring our employees commitment to responsibility in the workplace and a working environment in which personal and employment rights are upheld. Effective policies and procedures are aligned with the Polytechnic's needs and the promotion of good communication processes, to assist timely and consistent delivery of relevant information to employees.

We provide equal opportunity for all employees and job applicants. We have in place policies covering issues such as performance management, training and family friendly policies e.g. compassionate leave, paternity leave among others.

Stakeholders

NyNP actively encourages open communication with stakeholders. Principally through the Council members, NyNP endeavours to establish and maintain healthy relationships with its institutional stakeholders by holding regular consultations on issues requiring stakeholder participation as enshrined in the Constitution of Kenya 2010.

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

X. Report of the Council of Governors

The Council members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of Nyandarua National Polytechnic affairs.

Principal activities

The principal activities of Nyandarua National Polytechnic is Training.

Results

The results of Nyandarua National Polytechnic for the year ended June 30 2022 are set out on page 1-44.

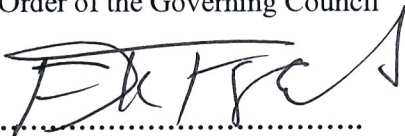
Council of Governors

The members of the Council who served during the year are shown on page x-xiii. During the year no Council member retired/ resigned and hence no new appointments were made during the year.

Auditors

The Auditor General is responsible for the statutory audit of the Nyandarua National Polytechnic in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2022.

By Order of the Governing Council



.....
Secretary of the Governing Council

Nyahururu

Date: 10/5/23

XI. Statement of Council Members' Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - which give a true and fair view of the state of affairs of Nyandarua National Polytechnic at the end of the financial year and the operating results of the polytechnic for that year. The Council is also required to ensure that the polytechnic keeps proper accounting records which disclose with reasonable accuracy the financial position of the polytechnic. The council members are also responsible for safeguarding the assets of the polytechnic

The Council members are responsible for the preparation and presentation of the polytechnic financial statements, which give a true and fair view of the state of affairs of the polytechnic for and as at the end of the financial year ended on June 30, 2022. 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 polytechnic,
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) safeguarding the assets of the polytechnic,
- (v) selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Council accept responsibility for the 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 PFM Act, 2012 .The council is of the opinion that the polytechnic financial statements give a true and fair view of the state of polytechnic transactions during the financial year ended June 30, 2022, and of the polytechnic financial position as at that date. The Council further confirm the completeness of the accounting records maintained for the polytechnic, which have been relied upon in the preparation of the polytechnic financial statements as well as the adequacy of the systems of internal financial control.

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

Nothing has come to the attention of the Council members to indicate that the 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 polytechnic financial statements were approved by the Council on 17/4/2023 and signed on its behalf by:


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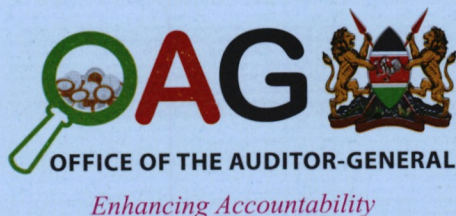
Name
Chairman of Governing Council


.....

Name **FELIX MUNGI'ATU**
Chief Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NYANDARUA NATIONAL POLYTECHNIC FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Nyandarua National Polytechnic set out on pages 1 to 42, which comprise of the statement of financial position as at 30 June, 2022 and the statement of financial performance, the statement of changes in net asset, statement of cash flows and statement of comparison of budget and actual

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Nyandarua National Polytechnic as at 30 June, 2022 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 and Training Act, 2013.

Basis for Qualified Opinion

1. Unsupported Land Balance

The statement of financial position and as disclosed in Note 19 to the financial statements reflects a balance of Kshs.425,627,061 in respect to property, plant and equipment as at 30 June, 2022. Included in the balance is a parcel of land balance of Kshs.200,000,000 measuring approximately 100 acres. However, no ownership and valuation documents in respect to the land were provided for audit.

In the circumstances, the accuracy, completeness and ownership status of the parcel of land balance of Kshs.200,000,000 could not be confirmed.

2. Unconfirmed Teaching and Learning Materials Expenditure

The statement of financial performance and as disclosed in Note 11 to the financial statements reflects use of goods and services amount of kshs.146,455,981, which includes Kshs.12,626,951 for teaching and learning training materials. However, included in this amount is an expenditure of Kshs.988,260 whose stores records reflecting receipt and issue of materials bought was not provided for audit verification.

In the circumstances, the accuracy, completeness and regularity of the expenditure of Kshs.988,260 on teaching and learning materials for the year ended 30 June, 2022 could not be confirmed.

3. Inaccuracies in the Financial Statements

Review of the financial statements presented for audit revealed the following anomalies:

- i. The statement of comparison of budget and actual amounts reflects sales of goods –other income of Kshs.6,354,355, while the statement of financial performance reflects Kshs.5,928,125, resulting to a variance of Kshs.426,230 which has not been explained or reconciled.
- ii. The statement of comparison of budget and actual amounts reflects nil amount for rental revenue from facilities and equipment, while statement of financial performance reflects Kshs.426,230, resulting to a variance of Kshs.426,230 which has not been explained or reconciled.

- iii. The statement of cash flows reflects purchase of property, plant and equipment amount of Kshs.80,630,366, while Note 19 to the financial statements reflects Kshs.51,921,518, resulting to a variance of Kshs.28,708,848 which has not been explained or reconciled.
- iv. The statement of cash flows erroneously reflects net cash flows used in investing activities amount of Kshs.58,988,714 instead of Kshs.80,630,366.
- v. The statement of cash flows reflects decrease in cash and cash equivalents amount of Kshs.59,133,637. However, recomputation of the statement reflects an amount of Kshs.58,988,714, resulting to unexplained and unreconciled variance of Kshs.144,923.
- vi. Note 19 to the financial statements on property, plant and equipment includes a foot note indicating total work-in-progress for construction works amount of Kshs.80,630,366. However, the amount was not included in the property, plant and equipment balance of Kshs.425,627,061 as at 30 June, 2022. Further, the details of construction works were not provided for audit review.
- vii. Note 25 to the financial statements on cash generated from operations reflects depreciation charge for the year of Kshs.11,489,926. However, Note 19 on property, plant and equipment reflect deprecation charge for the year of Kshs.8,892,274 resulting to unexplained and unreconciled variance of Kshs.2,597,652.

In the circumstances, the accuracy, validity and completeness of the respective financial statements' balances could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the shows that the Institution budgeted to collect revenue totaling Kshs.386,937,000 but collected Kshs.172,320,568 which represents under collection of revenue of Kshs.214,616,432 or 55% of the budget.

Further, the statement indicates that the Institution budgeted to spend Kshs.336,630,653 but spent Kshs.192,724,337 resulting into under-absorption of funds of Kshs.143,906,316 or 43% of the budget.

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

2. Unresolved Prior Year Matters

Various prior year audit matters remained unresolved as at 30 June, 2022. Management has not provided reasons for the delay in resolving the prior year audit issues. Further, the unresolved prior year issues are not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board reporting template.

In the circumstances, the prior year matters remain unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Remuneration of Governing Council

The statement of financial performance reflects Governing Council expenses of Kshs.2,215,407 as disclosed in Note 13 to the financial statements. However, it was noted that there were no approved rates for payments of the Governing Council allowances contrary to the provisions of Section 17 of the second schedule of the Technical and Vocational Education and Training Act, 2013, which states that that members of a Board of Governors shall be paid in respect of their services such remuneration or allowances as the Board of Governors shall, with the approval of the Cabinet Secretary, determine.

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

2. Non-Compliance with Law on Staff Ethnic Composition

Examination and analysis of personnel records revealed that during the year under review, the Polyethnic had one hundred and sixty-eight (168) staff members out of which one hundred and twenty-seven (127) or 76% of the staff members are from the dominant ethnic community contrary to contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Staff Under Establishment

A Review of personnel records and the Polytechnic strategic plan provided for audit revealed that the Polytechnic is understaffed in both training staff and non-training staff by a total of two hundred and thirty-six (236) staff members as shown below:

Category	Approved Establishment	In-Post	Variance
Training staff	251	122	129
Non-Training staff	153	46	107

In the circumstances, delivery of services to public may be negatively affected.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Governing Council

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

In preparing the financial statements, Management is responsible for assessing the Polytechnic's ability to continue to sustain its services disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the Polytechnic or to cease operations.

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

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

The Governing Council is responsible for overseeing the Polytechnic's financial reporting process, reviewing the effectiveness of how the 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Polytechnic's ability to continue to sustain its service. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Polytechnic to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Polytechnic to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 June, 2023

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

XIII. Statement of Financial Performance for the year ended 30 June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from National Government-Capitation	6	45,870,000	38,602,500
Transfers from National Government-Kinangop TVC	6(a)	500,000	4,315,000
Grants from donors and development partners-SITVES Project	7	1,372,013	3,704,484
		47,742,013	46,621,984
Revenue from Exchange transactions			
Rendering of services- fees from students	8	118,724,200	81,010,740
Sale of goods	9	5,928,125	3,536,820
Rental revenue from facilities and equipment	10	426,230.00	312,800
Revenue from Exchange transactions		125,078,555	84,860,360
Total Revenue		172,820,568	131,482,344
Expenses			
Use of goods and services	11	146,455,981	79,191,594
Employee costs	12	31,747,812	22,817,207
Governing Council Expenses	13	2,215,407	1,296,000
Depreciation and amortization expense	14	9,055,137	19,175,629
Repairs and maintenance	15	3,250,000	3,886,750
Total Expenses		192,724,337	126,367,180
Net Surplus/Deficit for the year		-19,903,769	5,115,164

The notes set out on pages 9 to 44 form an integral part of the Annual Financial Statements.

The Financial Statements set out on pages 1 to 44 were signed by:



Chairman of Governing
Council

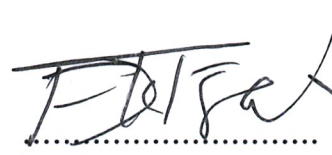
Date 10/05/2023



Chief Finance Officer

ICPAK No:20670

Date 10/5/2023



Chief Principal


Date 10/5/23

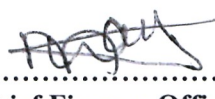
Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

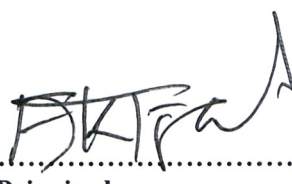
XIV. Statement of Financial Position as at 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	16	41,316,408	100,450,045
Current portion of receivables from exchange transactions	17	7,402,398	28,359,097
Inventories	18	11,908,617	0
		60,627,423	128,809,142
Non-Current Assets			
Property, plant, and equipment	19	425,627,061	382,597,817
Intangible assets	20	5,711,368	1,628,631
Biological Assets	21	788,830	370,000
		432,127,259	384,596,448
Total Assets		492,754,682	513,405,590
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	22	4,528,990	8,157,710
Refundable deposits from customers	23	3,231,373	1,886,393
Deferred income	24	1,397,000	18,000
		9,157,363	10,062,103
Non-Current Liabilities			
Total Liabilities		9,157,363	10,062,103
Net Assets			
Accumulated Surplus		483,597,318	503,343,487
Total Net Assets and Liabilities		492,754,682	513,405,590

The Financial Statements set out on pages 1 to 44 were signed by:


.....
Chairman of Governing
Council


.....
Chief Finance Officer


.....
Chief Principal

ICPAK No:20670

Date 10/05/2023

Date 10/5/2023

Date 10/5/23

**Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022**

XV. Statement of Changes in Net Asset for the year ended 30 June 2022

Description	Revaluation reserve	Retained earnings	Total
At July 1, 2020	-	498,228,323	498,228,323
Revaluation gain	-	-	-
Total comprehensive income	-	5,115,164	5,115,164
Capital/development grants received during the year	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-
At June 30, 2021	-	503,343,487	503,343,487
At July 1, 2021	-	503,343,487	503,343,487
Revaluation gain	-	-	-
Total comprehensive income	-	-19,903,769	-19,903,769
Capital/development grants received during the year	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-
At June 30, 2022	-	483,597,318	483,597,318

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

XVI. Statement of Cash Flows for the year ended 30 June 2022

Description	Note	2021-2022 Kshs	2020-2021 Kshs
Cash flows from operating activities			
Receipts			
Govt. Grants-Capitation		45,870,000	38,602,500
Govt. Grants-Kinangop TVC		500,000	4,315,000
Development partners-SITVES Projects		1,372,013	3,704,484
Rendering of services- fees from students		149,245,545	27,921,273
Prepaid fees		0	18,000
Sale of goods		3,542,663	3,536,820
Rental revenue from facilities and equipment		173,230	294,800
Total Receipts		200,703,451	78,392,877
Payments			
Compensation of employees		31,747,812	22,817,207
Use of goods and services		141,848,580	71,033,884
Remuneration of Directors		2,215,407	1,296,000
Repairs and Maintenance		3,250,000	3,886,750
Finance cost		0	0
Total Payments		179,061,799	99,033,842
Net Cash Flows from operating activities	25	21,641,651	-20,640,964
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-80,630,366	-58,354,542
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		-58,988,714	-78,995,506
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		0	0
Deposits receipts		0	0
Net cash flows used in financing activities		0	0
Net Increase/(Decrease) in Cash and Cash equivalents		0	0
Cash and Cash equivalents at 1 July 2021	16	100,450,045	179,445,551
Net Increase/Decrease in cash and cash equivalents		-59,133,637	-78,995,506
Cash and Cash equivalents at 30 JUNE 2022	16	41,316,408	100,450,045

Nyandarua National Polytechnic
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Notes to the Cash flow

Rendering of Services			
	2021-2022	2021-2022	
	Kshs	Kshs	Kshs
Description	Amount as per the Statement of Financial Performance	Amount Received	Variance
Tuition fees	-		
Activity Fees	7,435,850	3,346,715	4,089,135
Industrial Attachment Fees	2,728,000	1,955,900	772,100
Examination Fees	22,058,610	8,468,166	13,590,444
Repairs, Maintenance & Improvements	3,611,580	1,781,144	1,830,436
Personal Emoluments	26,183,310	10,978,394	15,204,916
Registration Fees	3,353,400	566,280	2,787,120
Travelling & Transport	6,630,840	2,835,130	3,795,710
Students Welfare	1,984,200	651,685	1,332,515
Contingencies/Administration	3,645,700	2,203,116	1,442,584
Medical & Insurance	4,756,200	1,584,427	3,171,773
Boarding, Equipment & Stores	670,560	502,600	167,960
Electricity, Water & Conservancy	7,176,750	3,656,598	3,520,152
Caution Money	1,370,480	752,000	618,480
Application Fees	477,000	1,484,600	-1,007,600
Student ID	283,200	344,000	-60,800
KUCCPS Validation fees	721,500	655,670	65,830
NYS material fees	3,893,500	13,200	3,880,300
NYS food and accommodation	20,969,800	25,026,280	-4,056,480
Hospitality material fees	773,720	405,960	367,760
NG-CDF Bursaries		6,674,480	-6,674,480
HELB Bursary		655,400	-655,400
Other Sponsors		61,250,668	-61,250,668
County Bursary		2,591,532	-2,591,532
HELB Loan		10,861,600	-10,861,600
Total Revenue from The Rendering of Services	118,724,200	149,245,545	-30,521,345
Sale of Goods			
	2021-2022	2021-2022	
	Kshs	Kshs	Kshs
Description			
Farm income	3,380,000	1,635,878	1,744,122
Driving school	1,769,410	748,590	1,020,820
Production Units income	224,850	306,850	-82,000

Nyandarua National Polytechnic
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Other Incomes	255,100	255,100	0
Hospitality-Catering sales	295,765	295,065	700
Tender documents sales	3,000	3,000	0
Total Revenue from Sale of Goods	5,928,125	3,542,663	2,385,462

Rental Revenue from facilities and Equipment

Description	Kshs	Kshs	Kshs
Hire of Facilities and Equipment	386,830	136,830	250,000
Catering & Accommodation	39,400	36,400	3,000
Total	426,230	173,230	253,000

Use good and services

	2021-2022	2020-2021	
Description	Kshs	Kshs	Kshs
Teaching and learning materials	12,626,951	8,894,060	3,732,891
Industrial attachment costs	1,478,550	1,478,550	0
Electricity	2,295,441	2,295,441	0
Water	1,342,750	1,342,750	0
Advertising costs	3,109,466	3,109,466	0
Security	2,765,320	2,765,320	0
Subscriptions	319,840	319,840	0
Administration Expenses	7,693,093	7,693,093	0
Examination fees	16,307,550	16,307,550	0
Audit fees	0	0	0
Conferences & Seminars	13,323,981	13,323,981	0
Performance Contract	11,863,740	11,863,740	0
Travelling and accommodation	7,206,835	7,206,835	0
Food, Accommodation & Related Expenses	25,236,682	24,362,172	874,510
Fuel and oil	2,399,158	2,399,158	0
Insurance Expenses	1,458,157	1,458,157	0
Legal expenses	0	0	0
Licenses and patents	0	0	0
Postage	0	0	0
Printing and stationery	7,546,650	7,546,650	0
Hire charges	0	0	0
Activity Expenses	4,230,355	4,230,355	0
Skills development Costs	159,000	159,000	0
Telephone expenses	1,751,260	1,751,260	0
Internet expenses	1,928,192	1,928,192	0
Student Welfare	766,200	766,200	0
Medical Expenses	624,737	624,737	0
Driving school Expenses	109,560	109,560	0

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Farm Expense	3,098,913	3,098,913	0
Academic trip Expenses	333,865	333,865	0
Sanitation & Cleaning Services	1,277,160	1,277,160	0
Student Fees Refunds	578,330	578,330	0
Textile & Uniform Expenses	976,050	976,050	0
Capacity Building	1,290,520	1,290,520	0
Innovation, Research & Development	9,414,322	9,414,322	0
Bank Charges	121,951	121,951	0
Caution refunds	25,500	25,500	0
Production Unit Expenses	297,500	297,500	0
Other costs/Contingencies	0	0	0
Kinangop TVC	500,000	500,000	0
Development partners-SITVES projects	1,998,402	1,998,402	0
Total use good and services	146,455,981	141,848,580	4,607,401

The Financial Statements set out on pages 1 to 44 were signed by:



Chairman of Governing
Council



Chief Finance Officer

ICPAK No:20670



Chief Principal

Date 10/05/2023

Date 10/5/2023

Date 10/5/23

**Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022**

XVII. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022

Description	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		Utilization Difference	
	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	%
Revenue												
Govt grants -Capitation	75,000,000				75,000,000		45,870,000	29,130,000			61	
Government Operation Grants	60,000,000		-9,000,000		51,000,000		-	51,000,000			-	
Government grants-Development partner -SITIVES	76,500,000				76,500,000		1,372,013	75,127,987			2	
Rending of services- fees from students	160,400,000				160,400,000		118,724,200	41,675,800			74	
Sale of Goods-Other Incomes	24,037,000				24,037,000		6,354,355	17,682,645			26	
Total Income	395,937,000		-9,000,000		386,937,000		172,320,568	214,616,432			45	
Expenses												
Compensation of employees	51,353,586		-		51,353,586		31,747,812	19,605,774			62	
Use of goods and services	192,291,108				192,291,108		146,455,981	45,835,127			76	
Finance costs	-		-		-		-	-			-	
Repair and Maintenance	9,785,900		0		9,785,900		3,250,000	6,535,900			33	
Remuneration of directors	11,400,600		0		11,400,600		2,215,407	9,185,193			19	
Depreciation & Amortisation	71,799,459		-		71,799,459		9,055,137	62,744,322			13	
Total Expenditure	336,630,653		0		336,630,653		192,724,337	143,906,316			-	
Surplus/Deficit For the Period	59,306,347		0		50,306,347							

NB Sale of Goods-Other incomes comprise of :

Farm Income	7,798,000
Production unit	15,725,000
Hire of Facilities	514,000
Total	24,037,000

Notes

Decrease in gross revenue from the budgeted revenue was due to non-receipt of 4th Quarter Capitation and other Grants from Government and Development Partners.

XVIII. Notes to the Financial Statements

1. General Information

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

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the polytechnic

The financial statements have been prepared in accordance with the PFM Act 2012, the state Corporations Act, the TVET Act 2013 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

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to COVID 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

Nyandarua National Polytechnic
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Standard	Effective date and impact:
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i>

Nyandarua National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2022

Standard	Effective date and impact:
	<p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></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>

iii. Early adoption of standards

Nyandarua National Polytechnic did not early-adopt any new or amended standards in year 2022.

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. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

Nyandarua National 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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Council on 24th June 2021. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities. The reduction appropriations are added to the original budget by the polytechnic upon receiving the respective approvals in order to conclude the final budget. Accordingly, the polytechnic recorded reduction appropriation of Kshs 9,000,000 on the FY 2021/2022 budget following the Council approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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

c) Taxes

Current income tax

The polytechnic pays statutory tax deductions.

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. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of applicable years.

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 of the items. 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

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 so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

g) Intangible assets

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

h) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- The debtors or an entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

j) Inventories

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the polytechnic.

k) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

The polytechnic creates and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

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

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

n) Foreign currency transactions

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

o) 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

p) Related parties

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

q) Service concession arrangements

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

r) 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.

s) Comparative figures

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

t) 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, 2022.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Provisions

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

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

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Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
Unconditional Grants		
Capitation Grants-NyNP	45,870,000	38,602,500
Capitation Grants-Kinangop TVC	-	1,000,000
Operational Grants-Kinangop TVC	-	3,315,000
Total government grants	45,870,000	42,917,500
Total Government Grants and Subsidies	45,870,000	42,917,500

(a) Transfers from other Government entities (Categorized)

Description	2021-2022	2020-2021
	Kshs	Kshs
Unconditional Grants		
Capitation Grants-Kinangop TVC	-	1,000,000
Operational Grants-Kinangop TVC	500,000	3,315,000
Total government grants	500,000	4,315,000
Total Government Grants and Subsidies	500,000	4,315,000

7. Grants from Donors and Development Partners

Description	2021-2022	2020-2021
	Kshs	Kshs
Development Partners-SITVES	1,372,013	3,704,484
Other Grants	-	-
Total Transfers	1,372,013	3,704,484

Reconciliations of grants from donors and development partners

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance unspent at beginning of year	-	-
Current year receipts	1,372,013	3,704,484
Condition met-remain liabilities	1,372,013	3,704,484
Condition met-transferred to revenue	-	-

Nyandarua National Polytechnic

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8. Rendering of Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition fees	-	23,330,120
Activity Fees	7,435,850	3,998,800
Industrial Attachment Fees	2,728,000	1,634,000
Examination Fees	22,058,610	5,912,800
Repairs, Maintenance & Improvements	3,611,580	2,307,000
Personal Emoluments	26,183,310	9,258,760
Registration Fees	3,353,400	1,797,400
Travelling & Transport	6,630,840	2,768,400
Students Welfare	1,984,200	922,800
Contingencies/Administration	3,645,700	4,152,600
Medical & Insurance	4,756,200	922,800
Boarding, Equipment & Stores	670,560	20,520,760
Electricity, Water & Conservancy	7,176,750	3,076,000
Caution Money	1,370,480	408,500
Application Fees	477,000	-
Student ID	283,200	-
KUCCPS Validation fees	721,500	-
NYS material fees	3,893,500	-
NYS food and accommodation	20,969,800	-
Hospitality material fees	773,720	-
Total Revenue from The Rendering Of Services	118,724,200	81,010,740

9. Sale of Goods

Description	2021-2022	2020-2021
	Kshs	Kshs
Farm income	3,380,000	2,544,530
Driving school	1,769,410	685,490
Production Units income	224,850	69,300
Other Incomes	255,100	237,500
Hospitality-Catering sales	295,765	-
Tender documents sales	3,000	-
Total Revenue from Sale of Goods	5,928,125	3,536,820

10. Rental revenue from facilities and equipment

Description	2021-2022	2020-2021
	Kshs	Kshs
Hire of Facilities and Equipment	386,830	312,800
Catering & Accommodation	39,400	-
Operating Lease Revenue	-	-

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Total	426,230	312,800
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11. Use of Goods And Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	12,626,951	8,219,408
Industrial attachment costs	1,478,550	638,215
Electricity	2,295,441	1,814,701
Water	1,342,750	683,125
Advertising costs	3,109,466	962,707
Security	2,765,320	1,314,223
Subscriptions	319,840	439,625
Administration Expenses	7,693,093	770,518
Examination fees	16,307,550	1,188,440
Audit fees	-	-
Conferences & Seminars	13,323,981	721,620
Performance Contract	11,863,740	9,224,204
Travelling and accommodation	7,206,835	6,230,130
Food, Accommodation & Related Expenses	25,236,682	19,968,500
Fuel and oil	2,399,158	964,569
Insurance Expenses	1,458,157	941,390
Legal expenses	-	94,681
Licenses and patents	-	118,050
Postage	-	17,584
Printing and stationery	7,546,650	3,313,081
Hire charges	-	344,815
Activity Expenses	4,230,355	1,212,580
Skills development Costs	159,000	6,352,858
Telephone expenses	1,751,260	1,737,000
Internet expenses	1,928,192	1,080,976
Student Welfare	766,200	376,340
Medical Expenses	624,737	671,508
Driving school Expenses	109,560	137,181
Farm Expense	3,098,913	1,359,440
Academic trip Expenses	333,865	-
Sanitation & Cleaning Services	1,277,160	-
Student Fees Refunds	578,330	-
Textile & Uniform Expenses	976,050	-
Capacity Building	1,290,520	-
Innovation, Research & Development	9,414,322	-
Bank Charges	121,951	-
Caution refunds	25,500	194,500
Production Unit Expenses	297,500	55,105

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Other costs/Contingencies	-	1,656,641
Kinangop TVC	500,000	4,315,000
Development partners-SITVES projects	1,998,402	2,072,880
Total good and services	146,455,981	79,191,594

12. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Basic pay	24,801,124	14,885,215
House Allowance	1,457,547	1,251,000
Commuter Allowance	1,498,164	1,353,000
Responsibility	24,730	62,838
Salary Arrears	70,083	0
Medical Allowance	158,684	0
Leave Allowance	138,000	126,000
Employer NSSF	1,021,680	0
Gross pay	29,170,012	20,734,126
PAYE	1,057,117	1,017,363
NHIF	774,900	502,200
NSSF	2,043,360	1,321,664
HELB	486,716	159,046
KUDHEIHA Workers	54,000	55,800
Total Deductions	4,416,093	3,056,074
Net Pay	24,753,919	17,678,053
Gratuity	178,750	299,710
Salary Advance	26,000	242,500
Casual Workers	2,373,050	1,540,871
Total Employee Costs	31,747,812	22,817,207

13. Board/Council Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Directors Emoluments-Sitting Allowance	1,312,857	1,277,000
Other Allowances-Accommodation	687,550	19,000
Other Council Expenses-Transport	215,000	-
Total	2,215,407	1,296,000

14. Depreciation and Amortization expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	8,892,274	18,994,670
Intangible assets	162,863	180,959

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Total depreciation and amortization	9,055,137	19,175,629
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15. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant & Equipment	1,931,789	3,400,650
Equipment and machinery	-	-
Vehicles & Machineries	411,110	486,100
Furniture and fittings	897,601	-
Computers and accessories	9,500	-
Total Repairs and Maintenance	3,250,000	3,886,750

16. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	41,316,408	100,450,045
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
Total Cash and Cash Equivalents	41,316,408	100,450,045

16 (a). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current Account			
Equity Bank, Nyahururu	0160296471157	9,263,237	20,473,251
CO-OP Bank, Nyahururu	01129038043701	29,854,081	74,269,366
CO-OP Bank, Nyahururu	01129038043702	2,198,960	5,091,643
K.C.B-SITVES Project	1277343047	-	615,605
Sub- Total		41,316,279	100,449,864
Cash in Hand		129	181
Mobile Money account		-	-
Sub- Total		129	181
Grand Total		41,316,408	100,450,045

17. Receivables from Exchange transactions.

Current Receivables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Receivables		
Student Debtors	7,342,398	28,116,597

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Rent Debtors	-	-
Consultancy Debtors	-	-
Advance	60,000	242,500
Less: Impairment Allowance	-	-
Total Current Receivables	7,402,398	28,359,097

18. Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	11,908,617	-
Total Inventories at lower of Cost and Net Realizable Value	11,908,617	-

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19. Property, Plant and Equipment

Details	Land	Buildings, Extensions & Other infrastructures	Machinery	Motor Vehicles	Comp. Equip	Office Equip	Furniture & Fittings	Other Loose	Catering	Books & Reading	Other Equip	Sports Eqipt &	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	& Fittings Kshs	Tools Kshs	equipment Kshs	Materials Kshs	Kshs	Curtains Kshs	Kshs
Depreciation rate	-	0.04	0.08	0.25	0.33	0.2	0.08	0.2	0.2	0.2	0.2	0.2	-
NBV as at 1st July, 2020	200,000,000	118,923,002	2,306,146	9,028,811	1,959,778	265,162	7,653,338	116,532	562,775	678,818	2,316,643	437,617	344,248,622
Additions during the year	0	50,169,410	1,017,000	0	2,895,000	0	1,166,050	0	0	26,570	2,956,100	0	58,230,130
Disposal	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation for the year	0	4,476,709	163,156	1,504,434	372,838	38,541	541,460	16,938	81,799	98,666	336,724	63,608	7,694,873
NBV as at 30th June, 2021	200,000,000	157,610,425	2,893,289	4,513,303	4,660,189	154,165	7,392,835	67,752	327,197	421,235	4,302,996	254,430	382,597,817
NBV as at 30th June, 2021	200,000,000	157,610,425	2,893,289	4,513,303	4,660,189	154,165	7,392,835	67,752	327,197	421,235	4,302,996	254,430	382,597,817
Additions during the year	0	32,282,025	1,865,500	0	9,628,860	0	3,938,102	0	0	1,517,771	2,689,260	0	51,921,518
Disposal	0	0	0	0	0	0	0	0	0	0	0	0	0
As at 30th June, 2022	200,000,000	189,892,450	4,758,789	4,513,303	14,289,049	154,165	11,330,937	67,752	327,197	1,939,006	6,992,256	254,430	434,519,335
Depreciation for the year	0	4,297,641	231,463	1,128,326	1,537,862	30,833	591,427	13,550	65,439	84,247	860,599	50,886	8,892,274
NBV as at 30th June, 2022	200,000,000	185,594,809	4,527,326	3,384,977	12,751,186	123,332	10,739,511	54,201	261,758	1,854,759	6,131,657	203,544	425,627,061

NB: Total Work in Progress is Kshs 80,630,365.62 for construction works.

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19 (b) Property, Plant and Equipment at Cost

	NBV
	Kshs
Land	200,000,000
Buildings	185,594,809
Plant and machinery	4,527,326
Motor vehicles, including motorcycles	3,384,977
Computers and related equipment	21,202,905
Office equipment, furniture, and fittings	10,917,044
Total	425,627,061

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

20. Intangible Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
At beginning of July 2020	1,809,590	1,809,590
Additions	-	-
As at 30th June 2021	1,809,590	1,809,590
Amortization and impairment	180,959	180,959
NBV as at 30th June 2021	1,628,631	1,628,631
At beginning of July 2021	1,628,631	-
Additions during the year	4,245,600	-
As at 30th June 2022	5,874,231	-
Amortization and impairment	162,863	-
NBV as at 30th June 2022	5,711,368	-

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21. Biological Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
At the beginning of July 2021-Cows	370,000	370,000
Additions during the year	418,830	-
Total as at 30th June 2022	788,830	370,000

22. Trade and Other Payables from Exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	4,528,990	8,157,710
Other payables	6,472,560	-
Total Trade and Other Payables	11,001,550	8,157,710

23. Refundable Deposits from Customers/Students

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance b/f	1,886,393	1,886,393
Add: Receipts for the year	1,370,480	-
Total deposits	3,256,873	-
Less: Refund for the year	25,500	-
Sub-Total Caution Deposits	3,231,373	1,886,393

24. Deferred Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Deffered Income	1,397,000	18,000
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	1,397,000	18,000

25. Cash generated from operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus for the year before tax	-19,903,769	5,115,164
Adjusted for:		
Depreciation	11,489,926	19,175,629
Depreciation	0	-5,049,055
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Finance Cost	0	0
Working Capital Adjustments		

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Increase in Inventory	11,908,617	0
Decrease in Receivables	20,956,699	-15,539,859
Increase in Deferred Income	1,379,000	-30,679,774
Increase in Payables	-4,188,821	6,122,931
Increase in Payments received in advance	0	214,000
Net Cash Flow from Operating Activities	21,641,651	-20,640,964

26. 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 entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

Polytechnic's 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 polytechnic 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 is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2021				
Receivables from exchange transactions	28,359,097	28,359,097	-	-

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Receivables from non-exchange transactions	-	-	-	-
Bank balances	100,450,045	100,450,045	-	-
Total	128,809,142	128,809,142	-	-
At 30 June 2022				
Receivables from exchange transactions	7,402,398	7,402,398	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	41,316,408	41,316,408	-	-
Total	48,718,806	48,718,806		-

27. Events After The Reporting Period

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

28. Ultimate And Holding Entity

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

29. Currency

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

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**XIX. 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 FY 2018/19	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Errors in the Annual Reports and Financial Statements	All errors have been corrected	Not Resolved	June 2023
2	Inaccuracies in the Financial Statement			
2.1	Variations between Financial Statement and Ledgers	The variance between Financial Statement and Ledger balance was corrected	Not Resolved	June 2023
3	Property Plant and Equipment	The 100 acres land occupied by the Institute was excised from the KARI Ol-joro-orok vide the Director's letter dated 6th February 2008. KARI is in the process of acquiring mother title deed after which we will pursue the acquisition of the Institute's title for the 100 acres. We are in constant communication with KARI to expedite the processing of the title. The issue has been taken up by sub county administration in liaison with land registrar. For valuation of Buildings, the Institute is in the process for valuation of all the PPE.	Not Resolved	June 2023

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3.2	Buildings	For valuation of Buildings, the Institute is in the process for valuation of all the PPE		
3.3	Machinery- Donated Farm Machines	The process is ongoing through the line Ministry and we have communicated as per attached letter. The Institute has already started using the machines by cultivating our Institute farm and also learning by the students.	Not Resolved	June 2023
4	Transfer from Other Government Entities - Government Grants	The summary of disbursements from State Department for Vocational and Technical Training is provided.	Not Resolved	June 2023
5	Inter- Entity Transfers	The development grants For Nyandarua Institute of Science and Technology was Kshs 1,273,625.The rest was for mentored institution.	Not Resolved	June 2023
6	Budgetary Control and Performance	This is due to the significant change in student enrolment beyond the expected number.	Not Resolved	June 2023
1(a)	Gaps in Human Resource Management	The polytechnic has implemented the strategic plan 2021-2026. Attached is the staff establishment as at April 2021. The institution employed a Human Resource Officer in February 2021 who operationalized the Human Resource Department. Attached is the appointment letter .The error was corrected and all job groups were aligned as per SRC rates which the institution adopted as our salary structure.After the adoption of the Human resource policy 2021, all staff were aligned as per the policy in their respective cadres.The clause highlighted was reviewed in the Human Resource Policy and Procedures manual 2021 Section 4.12. The institution grants staff leave and pay leave allowance once in a year.		June 2023

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1(RM)	Risk Management Policy	The Polytechnic has developed Risk Management Policy		June 2023
2(LA)	Internal Audit Function and Committee	The Polytechnic has Risk and Audit Policy and Committee that ensures that Risk management policy is implemented.		June 2023
3(IT)	IT Strategic Plan	The Polytechnic has developed the IT Strategic Plan.		June 2023
FY 2019/2020				
1	Errors in the Annual Reports and Financial Statements	The above errors were corrected.	Not Resolved	June 2023
2	Inaccuracies in the Financial Statements	The Inaccuracies were corrected.	Not Resolved	June 2023
3	Inaccurate Comparative Financial Information	We have corrected the error in comparative figures that differed from the audited figures	Not Resolved	June 2023
4	Variances between the Financial Statements Figures and Ledgers	The variances between the financial statement figures and ledgers have been indicated .	Not Resolved	June 2023
5	Unsupported Other Expenses	We have attached the supporting documents.	Not Resolved	June 2023

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6	Performance Contract Expenses	The Board minutes approving the excess expenditure and relevant documentation supporting performance expenses have been supported. i.e., the Board minutes, approved budget FY 2019/2020. The Polytechnic submitted quarterly and annual reports to the Ministry. It also submitted quarterly reports to CAJ and National Cohesion & Values.	Not Resolved	June 2023
7	Misclassification of Income from Hire of Facilities	Misclassification of Income from Hire of Facilities was corrected	Not Resolved	June 2023
8	Receivables from Exchange Transactions	The expected receivables are now disclosed and are adequately supported by way of students' details	Not Resolved	June 2023
9	Property Plant and Equipment			
9.1	Missing Valuation Report	The 100 acres land occupied by the Institute was excised from the KARI Ol-joro-orok vide the Director's letter dated 6 th February 2008. KARI is in the process of acquiring mother title deed after which we will pursue the acquisition of the Institute's title for the 100 acres. We are in constant communication with KARI to expedite the processing of the title. The issue has been taken up by sub county administration in liaison with land registrar. For valuation of Buildings, the Institute is in the process for valuation of all the PPE.	Not Resolved	June 2023

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9.2	Undisclosed Assets Received from Ministry of Education	The process is ongoing through the line Ministry and we have communicated as per attached letter. The Institute has already started using the machines by cultivating our Institute farm and also learning by the students.	Not Resolved	June 2023
1(WI)	Weak Information Technology (IT) Internal Controls	The Polytechnic has now developed ICT Strategic Plan that guides on IT related decision making processes. The Polytechnic has ICT Strategic Plan committee which is instrumental in ensuring that the ICT Strategic Plan is implemented and making all the Polytechnics 'data and systems secure. The Polytechnic has also developed an off-site data in Microsoft one drive cloud backup together with manual backups.	Not Resolved	June 2023
2.0(RM)	Lack of Risk Management and Fraud Policies	The Polytechnic has developed Risk management policy The Polytechnic has Governing Council Risk and Audit Committee that ensures that Risk management policy is implemented.	Not Resolved	June 2023
FY 2020/2021				
1	Property, Plant and Equipment			
1.1	Unsupported Land Balance	The Institution has communicated with the line ministry for registration and the process is ongoing as per attached. After acquisition of Land Title Deed, the Polytechnic will be able to do valuation for Property, Plant and Equipment.	Not Resolved	June 2023
1.2	Unsupported Building Balance	The Institution has a budget for valuation of assets in the FY 2022-23.	Not Resolved	June 2023
1.3	Lack of an Asset Register	The Institution has now developed fixed asset register which has details of the asset . The Institution has procured an ERP system and will install asset management module with availability of funds.	Not Resolved	June 2023

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1.4	Undisclosed Assets Received from the Ministry of Education	The Institution received the equipment's donated by the Ministry of Education through China bilateral contract agreement dated 27 March 2018 as per the attached documents	Not Resolved	June 2023
1.5	Undisclosed Assets Acquired from a Food Company	The Institution has updated the fixed asset register for the machines and in the PPE schedule.	Not Resolved	June 2023
2	Employees Cost			
2.1	Unsupported Payments to Casual Workers	The institution engages casuals on daily basis when need arises after approval, hence there are no letters of engagement. The institution uses a register where the casuals sign daily when they report and leave. There is also a casual register where the supervisor fills and submits the same during payments requisition. Payments are done after the task completion where their supervisor requests the payments, follows the due process of approval and paid to the individual's bank accounts. Our Human Resource Procedures Manual in 4:13 guides on casual appointments	Not Resolved	June 2023

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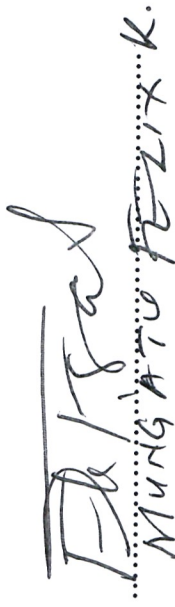
2.2	Unsupported Payments to Contractual Employees	The institution has an approved Human Resource Policy and Procedures Manual 4.12.3 & 4.12.4 which guides on renewal of contracts upon expiry. Employees on contract terms are required to apply to the Principal requesting for renewal from the Principal before the contract expiry. Renewal is based on need and performance and availability of the employee. The Council approves the renewal of Governing Council contractual employees.	Not Resolved	Jun-23
3	Undisclosed Revenue from Exchange Transaction	Rendering of services of Kshs 81,010,740 included Registration fee of Kshs 1,797,400 that comprised of Application fee (KUCCPS Validation fee) of Kshs 1, 225, 500, Students Identification fee of Kshs 163,400 and Registration Fee of Kshs 408,500	Not Resolved	June 2023
4	Unaccounted for Transfers to Kinangop Technical and Vocational College (TVC)	Government Recurrent Grants /Capitation of Kshs 4,315,000 was fully received & transferred to Kinangop TVC during FY 2020/21.	Not Resolved	June 2023
5	Unsupported Biological Assets Amount	By the end of FY 2020/21, the Institution had Biological assets totaling to Kshs 370,000.	Not Resolved	June 2023
6	Unsupported Receivables from Exchange Transaction	The increase of Kshs 15,539,858 was due to NYS students whose fee payment was not paid in time. The analysis of the receivables account with an outstanding amount of Kshs 21,769,836.55 includes NYS students who are under Government exchange program and clear in the subsequent years. The Institution has procured ERP system which has debtors ageing analysis. Also, the Institution has Financial Management Policy and Procedures Manual.	Not Resolved	June 2023

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7	Cash and Cash Equivalent.	We have revised the bank reconciliations for the year ended 30 June, 2021 and updated the status of un presented cheques.	Not Resolved	June 2023
	Basis for Conclusion.			
1(UT)	Unregistered Trainers	The Institution did not contract trainers registered with the TVET Board. Going forward the institution has been encouraging trainers to register. The management forwarded communication from TVET/CDACC circulars requiring all trainers to register with TVETA Authority. Further the management has required all the trainers without pedagogical skills to attend such courses at KTTC as it is a mandatory requirement in registration. Some of the trainers have joined the KTTC and are undergoing training having been given study leave.	Not Resolved	June 2023
2(W)	Weaknesses in Cash Management	The Polytechnic complied with the law because money was issued through manual imprest and was surrendered in time.. However, the Institution has put in place ERP system that supports Imprests warrants and surrender	Not Resolved	June 2023
	Report on Effectiveness Of Internal Controls, Risk Management And Governance			
1(IT)	Weak Information Technology Internal Controls	The Polytechnic has now developed ICT Strategic Plan that guides on IT related decision making processes. The Polytechnic has ICT Strategic Plan committee which is instrumental in ensuring that the ICT Strategic Plan is implemented and making all the Polytechnics 'data and systems secure. The Polytechnic has also developed an off-site data in Microsoft one drive cloud backup together with manual backups.	Not Resolved	June 2023

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2	Lack of Risk Management and Fraud Policies	The Institution has now developed and implemented Risk Management and Fraud Policy in place.	Not Resolved	
3(IM)	Lack of Inventory Management System	The Institution did not have an Inventory Management System by then. However, the Institution has now procured an ERP system which shall be used in management of inventory and stock operational reports.	Not Resolved	June 2023


 Name
 Chief Principal
 Date 10/5/23

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Appendix II: Projects Implemented by 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)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Appendix III- Inter-Entity Confirmation Letter

Nyandarua National Polytechnic
P.o Box 2033

Amounts Disbursed by State Department of Technical and Vocational Training (Kshs) as at 30th June 2022

Government Grants	Date Disbursed	Amounts Disbursed by State Department of Technical and Vocational Training (Kshs) as at 30th June 2022			Total (D)=(A+B+C)
		Recurrent (A)	Development (B)	Inter-Ministerial(Capitation Grants)C	
Kinangop TVC	12/07/2021	500,000.00	-	-	500,000.00
NyNP	18/11/2021	-	-	14,347,500.00	14,347,500.00
NyNP	07/03/2022	-	-	14,347,500.00	14,347,500.00
NyNP	07/06/2022	-	-	17,175,000.00	17,175,000.00
Total		500,000.00	-	45,870,000.00	46,370,000.00

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

Chief Finance Officer Nyandarua National Polytechnic:

Name **MONICA NDIRANGU** Sign  Date **10/5/2023**

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