

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
P.O Box 190 - 50100, Kakamega, Kenya
Tel: 056-31375

Annual Report and Accounts

For the Year Ended 30th June, 2010

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CORPORATE INFORMATION

CHANCELLOR AND PRINCIPAL OFFICERS OF THE UNIVERSITY

Chancellor

H.E Hon. Mwai Kibaki, C.G.H., M.P., B.A (Makerere), BSc. Econ (London), D.Sc. (Hon Eng. JKUCAT), DLitt , LLD (Nairobi) DSc. (HR Dev't) (MMUST), President and Commander-in-Chief of the Armed Forces of the Republic of Kenya.

Chairman of the University Council

Douglas Odhiambo, EBS, Dip. Ed. (E.A) B.Sc. (Bristol), Ph.D (London), LL.D. (Hon) (Bristol) D.Sc. (Hons) Moi

Vice Chancellor

Barasa C. C. Wangila, Dip. Ed. (Kenyatta) Dip. Aqua (ARAC), B.Sc. (Nairobi), M.Tech (RSUST), Ph.D. (Manitoba)

Vice- Chairman of Council

Arch. Alan Simu, B.A. Arch (Nairobi), M.A. Arch (Nairobi) F.A.A.K.

Honorary Treasurer

Joseph N.Kesa, B. A (Hons) (Dar-es-Salaam), Msc. Econ (London).

Deputy Vice Chancellor (Academic Affairs)

Asenath J. Sigot, B.Sc., M.Sc. (Central Missouri State University) (CMSU) U.S.A, Ph.D Admin. Planning and Curriculum Dev't (Kenyatta University)

Deputy Vice Chancellor (Administration and Finance)

Sibilike K. Makhanu, B.Sc., Msc.(Nairobi), Cert.Jap.L (Osaka), Cert.Dis. Prep .(US Central Command), Ph.D. (Kyoto), MIEK, R.Eng.

Deputy Vice Chancellor (Planning, Research and Extension)

John O. Shiundu, B.Ed., M.Ed. (Nairobi), Ph.D (McGill)

Registrars

1. Registrar (Academic Affairs). Joash. W. S. Mabonga B.Ed, M.A (Nairobi)
2. Registrar (Administration). Rachel C. Atamba. B. A (Nairobi) , MBA (Egerton)
3. Registrar (Planning, Research & Extension). Onyango Odhiambo B.A., (Nairobi).Dip. HRM (Makerere)

University Librarian

George G .Shibanda. A.L.A., (University of Central England), Dip.Info.Sc., M.L.S. (Loughborough), Advance Cert. Inf. Sc (Wales, Aberystwyth), FLA (CILIP,UK)

Dean of Students

Pst (Mrs) L.E.A Omwoha B.Ed (KU) ,Msc (Manchester)

Finance Officer

Oliver Waluvengo BB M (Moi), MBA (Maseno), C. C. A, C. P. A (K)

Bankers

Kenya Commercial Bank, Co-operative Bank, Barclays Bank of Kenya, Standard Bank, , Equity Bank, Family bank, National Bank,.

Auditors

Kenya National Audit Office - Auditor General
P.O.Box 30084 -00100 Nairobi

Registered Office

Masinde Muliro University of Science and Technology off
Kakamega - Webuye Road, P.O BOX 190-50100, Kakamega

MEMBERS OF THE UNIVERSITY COUNCIL

Chairman	Douglas Odhiambo, EBS, Dip. Ed (E.A) B.sc. (Bristol), Ph.D. (London), LL.D (Hon) (Bristol), D.Sc. (Hons) (Moi)	
Vice-Chairman	Alan C.M. Simu, B.A. Arch, M.Arch. (Nairobi), F.A.A.K.	
Honorary Treasurer	Mr. Joseph N. Kesa, B.A. (Hons) Dar-es-Salaam, Mr. Joseph N. Kesa, B.A. (Hons) Dar-es-Salaam, M.Sc. Econ (London).	
Vice Chancellor	Prof. Barasa C. C. Wangila, Dip. Ed. (Kenyatta) Dip. Aqua (ARAC), B.Sc. (Nairobi), M. Tech (Rivers State), Ph.D. (Manitoba)	
Members	QS. J.N. Nyambane B.A. (B.E) Bld Econ (Nairobi), M.A.A.K (QS), IQSK, ACI Arb. Mrs. Lucy. M. Kambuni, LLB, LLM (Nairobi), Dip. Law (K.S.L) Mrs. Beatrice M. Soy B.Ed (Nairobi), M. Ed (Manchester) Permanent Secretary Ministry of Finance Permanent Secretary Ministry of Higher Education Science and Technology (MOHEST) Permanent Secretary Ministry of State for Public Service Secretary, Commission for Higher Education	
Co-opted Members	Florida. A. Karani, B.A. (E.A.), PGDE, M.A.(Nairobi), Ph.D. (Pittsburgh) Mr. J. Mukavale, LLB (UoN), Dip. Law (KSL)	
Senate Representatives	Aggrey.M Simiyu, B.Ed (Nairobi), M.Ed, PhD (State Univ. of New York) Dr. Judith S.K. Achoka, B.Ed.(Nairobi), M. A. (McGill), Ph.D. (Kenyatta)	
UASU Rep. MMUST Chapter	Mr. Jude Ndiku, B. Ed, M. Phil. (Moi)	
UNTESU Rep. MMUST Chapter	Mr. Fanuel Chemining'wa, B. Sc (Moi)	
KUDHEIHA Rep. MMUST Chapter	Mr. Victor Ochango, Dip. IT, (RIAT)	
ALUMNI Rep.	John Kimutai	
Two Students Rep.	Chairman	Maloba T. Paul
	Secretary	Silas Omondi
Ex-Officio Members	Deputy Vice Chancellor (Academic Affairs) Prof. A. J. Sigot, B.Sc., M.Sc, (Central Missouri State University) (CMSU) U.S.A, Ph.D Admin. Planning and Curriculum Dev't (Kenyatta University)	

Deputy Vice Chancellor (Administration and Finance)

Prof. S.K. Makhanu, B.Sc., Msc. (Nairobi), Cert. Jap. L (Osaka), Cert. Dis. Prep. (US Central Command), Ph.D. (Kyoto), MIEK, R.Eng.

Deputy Vice Chancellor (Planning, Research and Extension)

Prof. J.O Shiundu, B.Ed., M.Ed. (UoN), PhD (McGill)

In Attendance

Onyango Odhiambo (B.A (UoN), Dip. HRM

Oliver Waluvengo B.B.M (Moi), MBA (MSU), C.C.A, C.P.A (K).

Joash Mabonga B.Ed, M.A (UoN)

Rachel C. Atamba B. A (UoN), MBA (Egerton)

VICE-CHANCELLOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2010

I have the pleasure to present the annual accounts and report for the year ended 30th June 2010.

During the year under review, the University made a deficit of Kshs. 13,543,912/= as compared to a deficit of Kshs. 58,428,909/= for 2008/2009. The reduction in deficit was due to stringent financial measures put in place in the realization of the fact that sources of funds were yielding an ever decreasing cash in-flows. The reserves dwindled from a high of Kshs. 30,920,000/= to a mere Kshs. 13,439,025/=.

I am thankful that during the year under review, the Government of Kenya increased the University Development Expenditure from Kshs. 110,000,000/= to Kshs 160,000,000/=. The funds were all utilized in the completion of on going projects including a modern laboratory complex.

The year ahead does not have a bright financial outlook. While the University requested for Kshs. 1.5 Billion for its operations, it received only Kshs. 685 Million which was further suppressed by a knock-off of Kshs. 66 Million to pay for CBA's arrears to UASU, UNTESU and KUDHEIHA. With a student population at over 8,000, the University requires more funding to sustain the increased programmes and the payroll at now Kshs. 72 million. Capitation of Kshs. 51 million per month will put a strain on the University efforts as it tries to meet it's mandate.

The University is still constrained with teaching space and equipment occasioned by inadequate funding in Capital Expenditure. I trust that the Government will see the need to enhance funding to facilitate this University.

A number of development partners and GoK agencies including VICRES, CHE, AICAD, SNV Netherlands, DAAD, UNESCO and National of Council Science and Technology have continued to support our research efforts. In the year under review, we had 30 academic staff members who attracted individual and group research funds totaling Kshs. 20,733,005/=.

I would like to thank the Government of Kenya and donors for their support and continued financial assistance.

Finally, I would like, on behalf of the University, to thank guardians/sponsors, Council, students, staff and suppliers for their cooperation in running the University during the year under review.



PROF. BARASA C. C. WANGILA
VICE CHANCELLOR

MANAGEMENT REPRESENTATION

This representation letter is provided in connection with your audit of the financial statements of Masinde Muliro University of Science and Technology for the year ended 2009/10 for the purpose of expressing an opinion as to whether or not the financial statements present fairly, in all material respects, the financial position of Masinde Muliro University of Science and Technology as at 30th June 2010 and the results of its operations and its cash flows for the year then ended in accordance with Section 29 of the Exchequer and Audit Act, Cap 412.

We acknowledge our responsibility for the accuracy of the accounting records and the fair presentation of the financial statements and we confirm, to the best of our knowledge and belief, the following representations given to you in connection with your duties as auditors of Masinde Muliro University of Science and Technology for the year ended 2009/10.

1. Accounting policies

The accounting policies used by Masinde Muliro University of Science and Technology are as stated in the financial statements and are consistent with those of previous year.

2. Accounting records and transactions

- 2.1 We have made available to you all books of account and supporting documentation and all minutes of meetings and no such information has been withheld.
- 2.2 The financial statements are free of material misstatements including omissions. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- 2.3 We have no plans that may alter materially the carrying value or classification of assets and liabilities reflected in the financial statements.
- 2.4 Except as disclosed in the financial statements, the results of operations for the year were not materially affected by transactions of an extraordinary or abnormal nature or of a sort not usually undertaken by the Masinde Muliro University of Science and Technology or items relating to a prior year.
- 2.5 All transfer payments have been properly and completely accounted for and have been recorded in the proper period.
- 2.6 The Appropriation account reflects a complete record of all expenditure relating to the financial transactions of the budgetary vote under our control as well as all allocated funds (budgeted, adjustments and special authorisations by the minister).
- 2.7 The information required by Audit Circular 1 and which have been disclosed in the schedules are complete and free of material misstatement.
- 2.8 The budget has been prepared in accordance with the relevant regulations and instructions and is in line with set criteria and objectives.
- 2.9 Personnel expenditure represents payments in respect of services which have been rendered to the Masinde Muliro University of Science and Technology by 611 employees on the payroll of the year 2009/10.

3. Assets

- 3.1 We have no plans or intentions that will result in any excess or obsolete inventory.
- 3.2 Masinde Muliro University of Science and Technology has satisfactory title to all assets, and there are no liens or encumbrances on Masinde Muliro University of Science and Technology's assets in favour of third parties.
- 3.3 All assets were maintained and were stored in good condition during the financial year.
- 3.4 The current assets in the financial statements are expected, in our opinion, to produce at least the amounts at which

they are stated. Adequate provision, in our opinion, has been made against all amounts owing to the debtors, which are known and may be expected to become irrecoverable.

4. Liabilities

4.1 Masinde Muliro University of Science and Technology has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

4.2 There have been no events subsequent to period end that requires adjustment of or disclosure in the financial statements or notes thereto.

4.3 We are not aware of any capital expenditure projects entered into without a legal contract. There were no purchase commitments in excess of normal requirements or at prices in excess of prevailing market prices.

5. Other Matters

5.1 There have been no irregularities involving management or employees that have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.

5.2 All known, actual or possible, non-compliance with laws and regulations, the effects of which should be considered when preparing financial statements, have been disclosed to the auditors.

5.3 Masinde Muliro University of Science and Technology has not incurred any unauthorized expenditure during the year under review.

5.4 Except as disclosed in the financial statements, no transactions involving management and others requiring disclosure in the financial statements have been entered into. We confirm the completeness of the information provided regarding the identification of related parties. The identity of, and balances and transactions with, related parties have been properly recorded and, when appropriate, adequately disclosed in the financial statements.

5.5 The required tender procedures have been followed and no commissions have been received by any employee of Masinde Muliro University of Science and Technology

Yours Faithfully,



B. C. C. Wangila, Dip. Ed, Dip. Aqua, B.Sc. M. Tech. Ph.D
VICE CHANCELLOR



S. K. Makhanu, B. Sc, M. Sc, Ph.D
DEPUTY VICE CHANCELLOR (A&F)



Oliver Waluvengo, B. B. M. (Hon.) (MU), MBA (MSU), C. C.A., C.P.A. (K)
FINANCE OFFICER

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES ON THE 2009/2010 ACCOUNTS

ACTIVITIES

The principal activities of the University are teaching, research, and extension services.

RESPONSIBILITY

The Council members accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the State Corporations Act.

The Council members are of the opinion that the financial Statements give a true and fair view of the state of the University's financial affairs and of its income and expenditure statement.

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

AUTHORITY

The 2009/10 accounts were presented to Council and approved on 23rd September, 2010.



B.C.C. Wangila
VICE CHANCELLOR
KAKAMEGA

23rd September, 2010

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2010

I have audited the accompanying financial statements of Masinde Muliro University of Science and Technology set out at pages 11 to 24, which comprises the Statement of Financial Position as at 30 June 2010, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with the provisions of Section 14 of the Public Audit Act, 2003. 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.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and for such internal controls as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor-General

My responsibility is to express an independent opinion on the financial statements based on the audit. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

1. Cash and Bank

As reflected under note 19 to the financial statements, the cash at bank and cash on hand as at 30 June 2010 amounted to Kshs.19,067,644. However, both the bank reconciliation statement and the cash survey report show a balance of Ksh. 14,927,935.59, resulting in an unexplained or reconciled difference of Kshs.4,139,708.41.

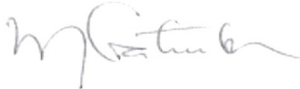
In the circumstances, it has not been possible to ascertain the validity and accuracy of the cash and bank balance of Kshs.19,067,644 as at 30 June 2010.

2. Trade and Other Payables

The trade and other payables balance of **Kshs.223,422,061** as at 30 June 2010 includes tax arrears and penalties totaling **Kshs.51,279,934** (2008/2009 – **Kshs.46,926,508**), made up of Value Added Tax (VAT and Pay As You Earn (PAYE) amounting to **Kshs.20,008,333** and **Kshs.31,271,601** respectively. As similarly reported in 2008/2009, the arrears and penalties continue to attract additional charges.

Opinion

Except for the foregoing reservations, in my opinion, the financial statements present fairly, in all material respects, the financial position of the University as at 30 June 2010, and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards and comply with the Masinde Muliro University of Science and Technology Act, 2006.



27th June 2011
A.S.M. Gatumbu
Auditor General
Nairobi

STATEMENT OF COMPREHENSIVE INCOMEFor the Period Ended 30th June, 2010

INCOME:	NOTES	2010	2009
		Kshs	Kshs
Government Grant	1	601,326,699	510,396,000
Tuition and related charges	2	607,390,545	459,213,000
Income Generating Units	3	(13,555,535)	(20,122,000)
Sundry Income	4	6,292,691	3,085,000
Add closing stock			26,127,000
		1,201,454,400	978,699,000
EXPENDITURE:			
Academic Departments	5	476,237,439	396,035,000
Administration & Central Services	6	432,488,580	353,080,502
Academic Services	7	10,356,007	6,917,667
General Educational Services	8	549,329	868,000
Maintenance of Premises	9	13,435,648	15,312,500
Staff & Students Facilities welfare	10	213,395,390	217,697,000
Miscellaneous Expenditure	11	17,232,997	10,177,240
Depreciation	12	51,257,922	37,040,000
		1,214,953,312	1,037,127,909
Surplus / (Deficit)		(13,498,912)	(58,428,909)
Provision for bad debts	13	(2,982,063)	(3,411,000)
Provision for Audit Fee		(955,000)	(650,000)
Net Surplus/ (Deficit)		(17,435,975)	(62,489,909)
Accumulated Surplus B/		30,920,000	93,410,000
Accumulated Surplus C/F		13,484,025	30,920,000

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2010

ASSETS			
NON-CURRENT ASSETS:	NOTE	2010	2009
		Kshs	Kshs
Property, Plant and Equipment	14	1,235,450,696	972,135,000
Biological Assets	15	526,000	566,000
		1,235,976,696	972,701,000
Current Assets:			
Inventory	16	35,540,000	26,127,000
Trade and other Receivables	17	109,087,745	45,350,000
Short Term Investment	18	1,027,000	996,000
Cash and Bank Balances	19	19,067,644	173,721,000
Sub- Totals		<u>164,722,389</u>	<u>246,194,000</u>
Total Assets		<u>1,400,699,085</u>	<u>1,218,895,000</u>
Equity and Liabilities			
Equity		1,163,266,999	1,003,267,000
Stock Reserve Account		526,000	571,000
Revenue Reserve		13,484,025	30,920,000
		<u>1,177,277,024</u>	<u>1,034,758,000</u>
Non -Current Liabilities			
Current Liabilities			
Trade and other Payables	20	<u>223,422,061</u>	<u>184,137,000</u>
Total Equity and Liabilities		<u>1,400,699,085</u>	<u>1,218,895,000</u>

AUTHORITY

The 2009/10 accounts on Pages 13-26 were presented to Council and approved on 23rd September, 2010, and were signed on behalf of Council by:



B.C.C. Wangila, Dip. Ed, Dip. Aqua, B. Sc. M. Tech. PhD
VICE- CHANCELLOR.



S.K. Maknanu, B.Sc., Msc.(UoN), Phd.(Kyoto)
DEPUTY VICE CHANCELLOR (A&F)



Oliver Waluvengo. B.B.M (Hon.) (MU), MBA (MSU), C.C.A., C.P.A. (K)
FINANCE OFFICER.

STATEMENT OF CASH FLOWS

For the Year Ended 30th June, 2010

	2010 Kshs.	2009 Kshs.
Cash Flows from Operating activities		
Surplus / (Deficit)	(17,435,975)	(62,490,000)
Add: Changes in:		
Depreciation charges	51,257,922	37,040,000
General Stores	(9,413,000)	(2,668,000)
Debtors and Receivables	(63,737,745)	57,671,000
Creditors and Payables	39,285,061	97,301,000
(a) Net Cash flows from operating activities	(43,737)	126,854,000
Investment activities:		
Short Term Investment	(31,000)	(38,000)
Purchase of Non Current Assets	(314,578,618)	(233,675,000)
(b) Net cash from Investment Activities	(314,609,615)	(233,713,000)
Un reconciled Difference		40,000
Financing activities:		
Equity	159,999,999	239,483,000
(c) Net cash from financing activities	159,999,999	239,528,000
Net increase (decrease) in cash and cash equivalent (a+b+c)	(154,653,356)	132,629,000
Cash & Cash Equivalents brought forward 2009	173,721,000	41,092,000
Cash & Cash Equivalents carried forward 2010	<u>19,067,644</u>	<u>173,721,000</u>

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH JUNE 2010

	Equity	Stock Reserve account	Revenue Reserve	Total Equity
	Kshs.	Kshs.	Kshs	Kshs
Balance b / f (2008)	763,784,000	526,000	93,410,000	857,720,000
Stock reserve	-	-	-	45,000
Equity	239,483,000	-	-	239,483,000
Net Deficit for the year	-	-	(62,490,000)	(62,490,000)
Balance as at 30th June, 2009	1,003,267,000	526,000	30,920,000	1,034,713,000
Equity	159,999,999	-	-	159,999,999
Net Deficit for the year	-	-	(17,480,975)	(17,435,975)
Balance as at 30th June, 2010	1,163,266,999	526,000	13,484,025	1,177,277,024

Note: Stock Reserve Account represents the credit of the value of the Biological assets at the initial accrual of the cows on the farm in 2002/2003 Financial year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 1.1 The accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets.
- 1.2 The accounts have been prepared in compliance with international financial reporting standards (IFRS)
- 1.3 Income from grants and fees represent only amounts receivable in relation to the financial year 2009/2010.
- 1.4 Non-current assets are stated at cost or professional valuation.

Depreciation is provided for at annual rates estimated to write off the assets over their expected useful lives. The rates are:

Building	2%
Plant, Equipment and Furniture	12.5%
Motor Vehicles	25%
Computers	30%

Depreciation is on straight-line basis and it is charged to the Income and Expenditure Account. Assets acquired during the year are depreciated.

- 1.5 Stocks are valued at the lower of cost and net realizable value.
- 1.6 The cost of library books and teaching materials are written off to expenditure.
- 1.7 Appropriation for specific purpose represents revenue generated by some departments and unspent balance on certain votes, carried forward to meet expenditure in the ensuing year.
- 1.8 Deans Committee research grant is carried forward until the related research project is completed.
- 1.9 Values for equipment donated are estimated by the University or as advised by donors.
- 1.10 Capital development grants are credited to the equity and debited to the relevant asset.
Biological assets are valued at estimated market value less estimated cost of sale.
- 1.11 Biological assets are valued at estimated market value less estimated cost of sales
- 1.12 Research funds are accounted for in accordance with agreements entered into between the donor and the University. Where the agreement is not explicit on accounting matters, the University financial regulations apply.
- 1.13 The default rate on fee arrears is normally 10 percent of student debtors.

2. CURRENCY

The accounts are expressed in Kenya Shillings and the amounts are rounded to the nearest one shilling.

3. LEGAL STATUS

The Masinde Muliro University of Science and Technology is a body corporate established in Kenya under The Masinde Muliro University of Science and Technology Act of 2007

4. RELATED PARTY TRANSACTIONS

The University did not have related party transactions during the year under review.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30th June, 2010

Notes:

1.0 GOVERNMENT GRANTS FOR 2009/2010

	MONTH	Receipt no.	Cheque No.	Kshs.	Remarks
1	JULY	12528	12967	44,719,890.25	Capitation
2	AUGUST	12529	13062	44,719,890.25	Capitation
3	SEPTEMBER	12565	13254	44,719,890.25	Capitation
4	OCTOBER	12566	13260	64,689,016.45	CBA Arrears
5	OCTOBER	12569	TFT	44,719,890.25	Capitation
6	NOVEMBER	12570	TFT	44,719,890.25	Capitation
7	DECEMBER	12568	TFT	44,719,890.25	Capitation
8	JANUARY	12576	TFT	44,719,890.25	Capitation
9	FEBRUARY	12578	TFT	44,719,890.25	Capitation
10	MARCH	12581	TFT	44,719,890.25	Capitation
11	APRIL	12596	TFT	44,719,890.25	Capitation
12	MAY	36015	TFT	24,749,764.00	Capitation
13	JUNE	36013	TFT	64,689,016.00	Capitation
	Total			601,326,698.95	

(ii) CAPITAL GRANTS FOR 2009/2010

	MONTH	Receipt no.	Cheque No.	KSHS	PROJECT
1	23.03.09	12595		24,786,437.32	Library
2	13.09.09	37601		11,748,927.75	Science Laboratory
3	13.09.10	36012		27,745,402.00	Science Laboratory
4	30.06.09	37603		44,837,167.10	
5	15.05.10	37602		4,541,940.00	
6	13.09.08	36014		46,340,125.00	
	Total			159,999,999.17	
GRAND TOTAL FROM GOVERNMENT OF KENYA				761,326,698.12	

2.0 Tuition and Related Charges:

	Kshs	Kshs
Tuition Fees (PSSP)	430,544,016	290,930,000
Tuition Fee (JAB)	47,201,250	42,462,750
Identity Cards	687,700	507,000
Medical Subsidy	9,750,745	8,864,000
Activity fees	5,070,016	4,609,000
Examination fees	17,540,000	17,522,000
Registration fees	1,826,800	568,000
Diploma, Certi & Bridging Fees	20,136,000	19,597,450
Accommodation	7,714,588	6,195,000
Application	5,841,247	3,382,000
Postgraduate fees	24,049,000	23,052,250
Amenity	4,810,800	4,373,000
Diploma project fees	16,000	10,000
Supervision	6,766,000	6,605,000
Field trips	53,000	4,050,000
Thesis	5,267,000	4,959,000
Computer fees	486,298	2,056,000
Attachment	19,630,085	19,440,000
Students Insurance	-	27,000
Totals	<u><u>607,390,545</u></u>	<u><u>459,213,450</u></u>

3.0 Income Generating Units

	Income	Expenditure	Suplus/Deficiet
	Kshs	Kshs	Kshs
Catering	16,426,813	31,575,344	(15,148,531)
Production unit	3,647,577	3,481,387	166,190
Farm	1,462,799	1,026,042	436,757
Bookshop	886,255	666,941	219,314
Library	459,065	0	459,065
Estates	311,670	0	311,670
Totals	<u><u>23,194,179</u></u>	<u><u>36,749,714</u></u>	<u><u>(13,555,535)</u></u>

4.0 Sundry Income

	2010	2009
	Kshs	Kshs
Sales of Tender Documents	1,290,560	944,000
Other Incomes	<u>5,002,131</u>	<u>2,141,420</u>
	<u><u>6,292,691</u></u>	<u><u>3,085,420</u></u>

5.0 Academic Departments

	Kshs	Kshs
Personnel emolument	245,307,774	182,613,000
House allow	120,992,164	111,696,000
House to office	17,753,945	8,625,000
Pension	27,983,430	27,407,000
Other allowances	6,742,955	26,650,000
Part time expenses	19,183,187	19,979,000
External Travel & Accommodation	6,449,012	3,746,000
Teaching Materials	2,301,417	1,517,000
Senate	1,777,582	1,548,000
School Practice	9,431,173	7,451,000
Industrial Attachment	5,453,237	-
Research Programmes	3,681,189	4,803,000
Seminars & Conference	<u>9,180,375</u>	<u>-</u>
Totals	<u><u>476,237,439</u></u>	<u><u>396,035,000</u></u>

6.0 Administration and Central Services

	Kshs	Kshs
Personal emolument	136,448,086	96,684,050
House allowance	91,319,548	75,643,000
House to office	18,460,677	8,488,040
Pension	18,290,832	14,503,000
Other allowances	8,814,000	12,719,000
Casual wages	31,549,777	18,030,000
Traveling and accommodation	7,847,445	13,990,000
Advertising and publicity	12,633,570	9,780,000
Transport and operating expenses	11,511,932	11,713,000
Office Expenses	8,026,879	-
Council Expenses	19,118,431	16,524,000
Telephone Expenses	11,613,042	9,187,158
Electricity, water and Conservancy	9,924,976	13,903,000
Purchase of stationary	8,248,459	14,153,000
Purchase of uniforms	643,843	1,533,000
Official entertainment	913,395	1,179,000
Insurance	11,456,234	8,556,000
Postal and telegrams	505,639	546,000
Maintenance of Computers	2,398,809	429,000
Publishing and printing	1,973,941	739,000
Public Celebrations and funerals	240,629	822,000
Bank charge	571,000	1,335,000
Audit Fee	955,000	686,000
Maint of plant and equipment	6,913,101	7,027,000
Graduation	3,070,445	7,331,000
Security Services	9,038,890	7,573,000
Totals	<u><u>432,488,580</u></u>	<u><u>353,081,000</u></u>

7.0 Academic Services

	Kshs.	Kshs.
Library expenses	7,177,658	5,727,667
Computer expenses	3,178,349	1,190,000
Totals	<u><u>10,356,007</u></u>	<u><u>6,917,667</u></u>

8.0 General Education Services

	Kshs.	Kshs.
External examiners	565,529	808,000
Students' registration expenses	(16,200)	60,000
Totals	<u><u>549,329</u></u>	<u><u>868,000</u></u>

9.0 Maintenance of Premises

	Kshs.	Kshs.
Rent and rates	10,810,075	5,208,000
Maintenance of buildings	1,698,615	6,003,000
Maintenance of playground	74,540	25,000
Maintenance of water and sewage	125,000	87,500
Maintenance of catering & hostels	<u>727,417</u>	<u>3,988,000</u>
Totals	<u><u>13,435,648</u></u>	<u><u>15,311,500</u></u>

10.0 Staff and Students Facilities and Welfare

	Kshs	Kshs
Inter-University games	4,247,752	3,482,000
Students expenses	7,133,520	25,119,000
Medical expenses	29,261,455	26,142,000
Training expenses	2,555,691	1,905,000
MUSO expenses	1,619,478	1,242,000
PSSP payments	167,663,244	157,940
Sports equipment	914,250	1,867
Totals	<u><u>213,395,390</u></u>	<u><u>217,697</u></u>

11.0 Miscellaneous Expenditure

	Kshs	Kshs
Hire of transport, plant and machines	152,000	245,240
Show & Seminars	12,527,520	8,349,000
Sundry expenses	4,377,702	1,500,000
Tender expenses	<u>175,775</u>	<u>83,000</u>
Totals	<u><u>17,233,000</u></u>	<u><u>10,177,240</u></u>

12.0 Depreciation Kshs. 51,257,922/=

Depreciation is on straight-line basis and it is charged to the Income and Expenditure Account. Assets acquired during the year are depreciated.

13.0 PROVISION FOR BAD DEBTS KSHS. 2,982,063/=

The default rate on student fee arrears is normally 10 percent of debtors.

14.0 Property, Plant and Equipment as at 30th June 2010

	Land	Building	WIP	Plant & Equipment	Computer	Furniture	Motor Vehicles	Total
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Cost/Valuation B/F30/06/09	66,580,000	390,709,000	445,807,000	106,814,000	16,088,000	27,727,000	53,641,000	1,107,366,000
Additions: 2009/2010	600,000	117,509,286	164,112,000	15,136,000	15,433,000	15,284,000	13,674,000	341,748,286
Disposal/ Transfers	0	33,568,610	-33,568,610	0	0	0	0	0
Gross Assets as at 30/06/09	67,180,000	541,786,896	576,350,390	121,950,000	31,521,000	43,011,000	67,315,000	1,449,114,286
Dep. as at 30/06/2009	0	24,720,763	0	68,580,595	15,574,600	13,635,166	39,894,544	162,405,668
Charge for the year	-	10,835,730	-	19,494,941	6,872,300	5,504,274	8,550,677	51,257,922
Dep. end of the year 30/06/10	-	35,556,493	0	88,075,536	22,446,900	19,139,440	48,445,221	213,663,590
Net Book Value 30/06/10	67,180,000	506,230,403	576,350,390	33,874,464	9,074,100	23,871,560	18,869,779	1,235,450,696
NBV 30.06.09	66,580,000	367,515,000	445,807,000	60,703,000	1,141,000	15,651,000	14,738,000	972,135,000

Note: Additions to Property, Plant and Equipment includes Kshs. 8,344,000 in respect of project vehicles handed over to the University previously not captured in the final report and Kshs. 18,870,668 for creditors outstanding in respect to Work in Progress. The purchase of non-current in the statement of cash flows assets is thus adjusted to Kshs. 314,578,618. This also excludes kshs.45,000.00 in respect of loss in valuation of Biological assets.

15.0 Biological Assets

	2010	2009
	Kshs	Kshs
Livestock	531,000	571,000
Less cost at point of sale	<u>(5,000)</u>	<u>(5,000)</u>
Totals	<u>526,000</u>	<u>566,000</u>
16.0 Inventory		
General stores	<u>35,540,000</u>	<u>26,127,000</u>
Grand -Totals	<u><u>35,540,000</u></u>	<u><u>26,693,000</u></u>

17.0 TRADE AND OTHER RECEIVABLES

(i) DEBTORS

	2010 Kshs.	2009 Kshs.
Sundry Debtors	516,000	516,000
Staff Debtors	15,470,160	13,979,000
Students debtors	29,820,632	34,114,000
Provision for bad debt	(2,982,063)	(3,411,000)
Cash in Transit from MOEST	64,689,016	
Totals	<u><u>107,513,745</u></u>	<u><u>45,198,000</u></u>

(ii) RECEIVABLES

	Kshs.	Kshs.
Electricity & Water Deposits	1,574,000	152,000
Totals	<u><u>1,574,000</u></u>	<u><u>152,000</u></u>

18.0 SHORT TERM INVESTMENT

	Kshs.	Kshs.
Weco deposit	199,000	190,000
Fixed deposit	828,000	806,000
Totals	<u><u>1,027,000</u></u>	<u><u>996,000</u></u>

19.0 CASH AND BANK BALANCES

	Kshs.	Kshs.
Cash at Bank	18,902,532	67,754,000
Cash in hand	165,112	105,967,000
Totals	<u><u>19,067,644</u></u>	<u><u>173,721,000</u></u>

20.0 TRADE AND OTHER PAYABLES

(i) Creditors

	2010	2009
	Kshs.	Kshs.
Sundry creditors	204,770,019	146,187,000
Sub-Totals	<u>204,770,019</u>	<u>146,187,000</u>

(ii) Payables

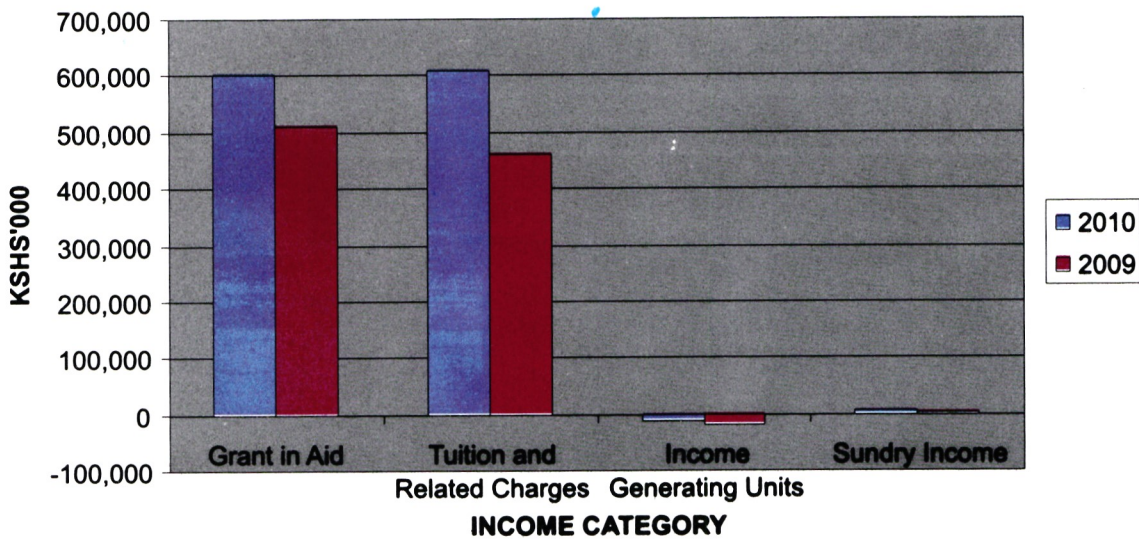
	Kshs.	Kshs.
Muso	-	3,068,000
Caution Money	2,693,200	2,131,000
Prepaid fees	5,489,815	22,721,000
Provision for Audit Fee	955,000	650,000
Provision for unbanked cash	3,726,000	3,726,000
Sub-Totals	<u>18,652,042</u>	<u>37,950,000</u>
Total	<u><u>223,422,061</u></u>	<u><u>184,137,000</u></u>

OTHER INFORMATION

1. GENERAL REVENUE STATISTICS

INCOME	2010		2009	
	Kshs,000	%	Kshs,000	%
Grant inAid	601,327	50.05	510,396	53.58
Tuition and Related Charges	607,391	50.55	459,213	48.21
Income Generating Units	-13,556	-1.13	-20,122	-2.11
Sundry Income	6,293	0.52	3,085	0.32
Total	1,201,455	100.00	952,572	100.00

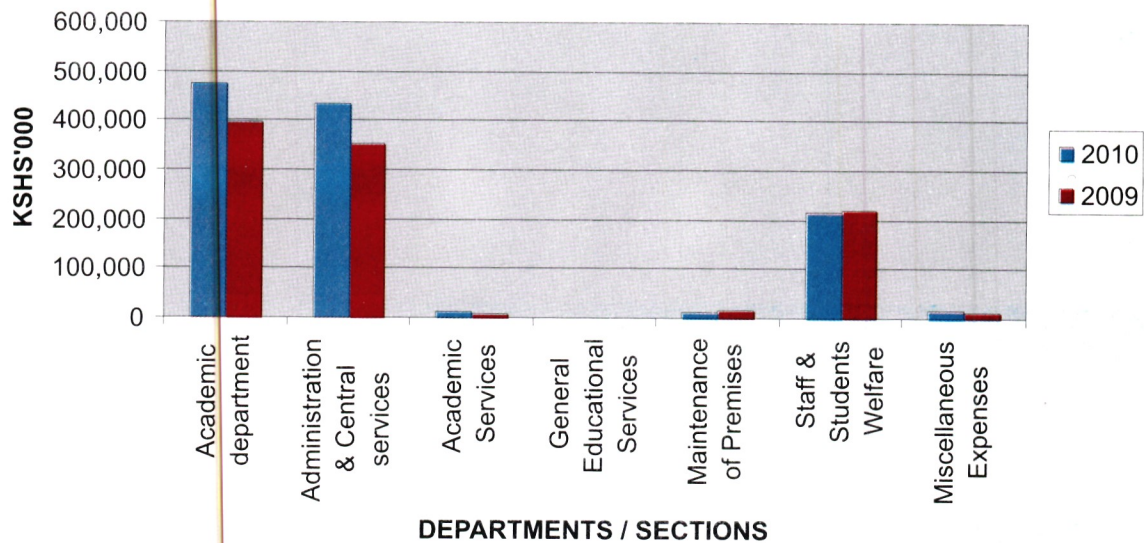
GENERAL REVENUE STATISTICS



2. EXPENDITURE STATISTICS

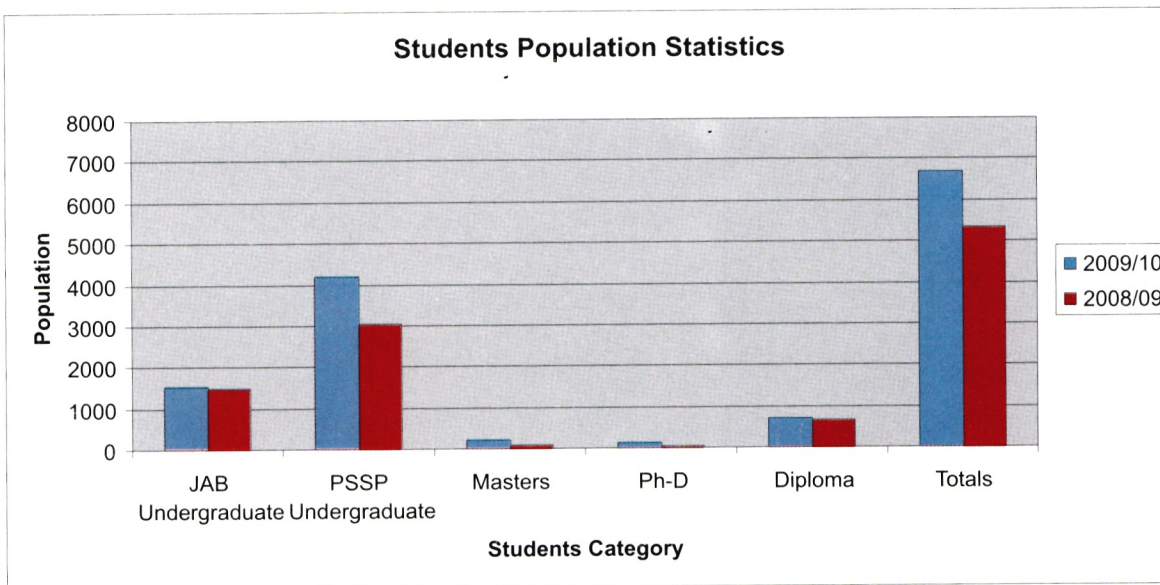
EXPENDITURE	2010		2009	
	Kshs,000	%	Kshs,000	%
Academic Department	476,237	40.92	396,035	40.31
Administration and Central services	432,489	37.17	353,081	36.31
Academic Services	10,356	0.89	6,918	0.80
General Educational Services	549	0.05	868	0.07
Maintenance of Premises	13,436	1.15	15,312	1.33
Staff & Students facilities & Welfare	213,395	18.34	217,697	19.92
Miscellaneous Expenses	17,233	1.48	10,177	1.27
	1,163,695	100.00	2,163,883	100.00

EXPENDITURE STATISTICS



3. STUDENTS POPULATION STATISTICS

	2010	%	2009	%
JAB	1,513	23	1497	28
PSSP	4,179	62	3036	57
Masters	224	3	81	2
PhD	106	2	53	1
Diploma	681	10	673	12
Total	6703	100	5340	100



4. STAFF POPULATION STATISTICS

	2010	%	2009	%
Teaching	202	34.24	184	32.86
Non - Teaching	388	65.76	376	67.14
Total	590	100.00	560	100.00

STAFF POPULATION STATISTICS

