

REPUBLIC OF KENYA



Enhancing Accountability



REPORT	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 APR 2025	DAY. 30/4/25
TAB OF BY:	Leader of Majority Party
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THE AUDITOR-GENERAL

ON

TAITA TAVETA UNIVERSITY

**FOR THE YEAR ENDED
30 JUNE, 2024**

Revised 30th June 2024

31 DEC 2024



TAITA TAVETA UNIVERSITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2024

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

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
IPSAS	International Public Sector Accounting Standards
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
VC	Vice Chancellor
TTU	Taita Taveta University
KUCCPS	Kenya Universities and Colleges Central Placement Service
KENET	Kenya Education Network Trust
CEMEREM	Centre of Excellence for Mining, implementing Environmental Engineering and Resource Management
IGU	Income Generating Units
CUE	Commission for University Education
NSSF	National Social Security Fund

B: Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resource of the organisation

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Taita Taveta University was initially established as a Campus of JKUAT in 2008, became a Constituent College of Jomo Kenyatta University of Agriculture and Technology via Legal Notice Number 156 of 18 October, 2011, and was elevated to a fully-fledged University through award of the Taita Taveta University Charter on **7th October, 2016**. Over the years of TTU's establishment and operations, the University Council Management, staff and students have collectively embraced a transformative journey aimed at positioning the University as a strategic player in national and regional development, and an academic centre of excellence with a special focus on Mining, Mineral Processing and Natural Resource Management. Progressively, Taita Taveta University has accordingly established itself as the University of Mining, Applied Sciences and Entrepreneurship. The University hosts the Centre of Excellence in Mining, Environmental Engineering and Natural Resource Management (CEMEREM) supported by the DAAD of Germany.

(b) Principal Activities

The principal activity of Taita Taveta University is teaching, research and community outreach. The vision, mission and core values that underpin our principal activity are as outlined below;

Vision Statement

An educated and empowered society in sustainability of minerals and other resources.

Mission Statement

Provide quality education, training, research and community service in sustainable management of minerals and other resources.

Core Values

- i) **Result Oriented**- budgeting and planning is geared towards achieving desired results with minimum expenses
- ii) **Quality**- All work is done to ensure products and services of the highest quality are achieved.
- iii) **Innovativeness**- in the face of many challenges, innovation is championed to ensure set targets are achieved
- iv) **Transparency and accountability** –All dealings should be open and accountable to stakeholders
- v) **Professionalism and ethical conduct** -staff are required to uphold the highest professional and ethical standards in their assignment.

(c) Key Management

Taita Taveta University day-to-day management falls under the following three key organs:

- Vice Chancellor/CEO
- Deputy Vice Chancellor (Administration, Finance & Planning)– Divisional Head
- Deputy Vice Chancellor (Academic, Research & Outreach) – Divisional Head

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Vice Chancellor	Prof. Fred Simiyu Barasa
2.	Deputy Vice Chancellor (Academic, Research and Outreach)	Prof. Christine Akoth Onyango
3.	Deputy Vice Chancellor (Administration, Finance and Planning)	Prof. Kiptanui Jonah Arap Too
4.	Registrar (Academic, Research & Outreach)	Prof. Justin Maghanga
5.	Director (Administration, Planning and Development)	CHRP Chrisantose Odhiambo
6.	Director of Finance	CPA Peter Kisombe
7.	Head of Procurement	Mr. Simon Kamos Ndiwa

(e) Fiduciary Oversight Arrangements

Taita Taveta University has a Council whose membership and various Committee membership is as follows;

A.	University Council	Date of Appointment	Designation
1.	Prof. Isaac M. Mbeche	8 th July, 2022	Chairperson
2.	Mr. Joseph Kiarri - Representing PS, TheNational Treasury and Economic Planning	10 th May, 2017	Member
3.	Dr. David N. Watene - Representing PS, State Department for Higher Education and Research, Ministry of Education	22 nd March, 2024	Member
4.	Dr. Mary Njoki Ndiba	8 th August, 2022	Member
5.	Ms. Jayne Kanini Mwanza	8 th July, 2022	Member
6.	Mr. Nashon Edward Oluoch Nyona	8 th July, 2022	Member
7.	Mohamed Nahida Athman	24 th November, 2023	Member
8.	Rabia Mere Salim	26 th January, 2024	Member
9.	Prof. Fred Simiyu Barasa	25 th March, 2021	Vice Chancellor/Secretary

B.	Finance, Development and General-Purpose Committee	Date of Appointment	Designation
1.	Ms. Mohamed Nahida Athman	24 th November, 2023	Chairperson
2.	Mr. Joseph Kiarri - Representing PS, The National Treasury and Economic Planning	10 th May, 2017	Member
3.	Dr. David N. Watene - Representing PS, State Department for Higher Education and Research, Ministry of Education	22 nd March, 2024	Member
4.	Dr. Mary Njoki Ndiba	8 th August, 2022	Member
5.	Prof. Fred Simiyu Barasa	25 th March, 2021	Vice Chancellor/Secretary

C.	Audit, Risk and Governance Committee	Date of Appointment	Designation
1.	Mr. Nashon Edward Oluoch Nyona	8 th July, 2022	Chairperson
2.	Mr. Joseph Kiarri - Representing PS, The National Treasury and Economic Planning	10 th May, 2017	Member
3.	Dr. David N. Watene - Representing PS, State Department for Higher Education and Research, Ministry of Education	22 nd March, 2024	Member
4.	Ms. Jayne Kanini Mwanza	8 th July, 2022	Member
5.	CPA. Henry Nyakundi	HoD Internal Audit	Ex-officio Member/Secretary

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D.	Human Resource and Development Committee	Date of Appointment	Designation
1.	Ms. Jayne Kanini Mwanza	8 th July, 2022	Chairperson
2.	Ms. Rabia Mere Salim	26 th January, 2024	Member
3.	Dr. David N. Watene - Representing PS, State Department for Higher Education and Research, Ministry of Education	22 nd March, 2024	Member
4.	Dr. Mary Njoki Ndiba	8 th August, 2022	Member
5.	Prof. Fred Simiyu Barasa	25 th March, 2021	Vice Chancellor/Secretary

E.	Sealing Committee	Date of Appointment	Designation
1.	Ms. Rabia Mere Salim	26 th January, 2024	Chairperson
2.	Mr. Joseph Kiarrii - Representing PS, The National Treasury and Economic Planning	10 th May, 2017	Member
3.	Dr. David N. Watene - Representing PS, State Department for Higher Education and Research, Ministry of Education	22 nd March, 2024	Member
4.	Mr. Nashon Edward Oluoch Nyona	8 th July, 2022	Member
5.	Prof. Fred Simiyu Barasa	25 th March, 2021	Ex-officio Member/Secretary

(f) Entity Headquarters

Taita Taveta University
 Main Campus (off Voi-Mwatate Road)
 P. O. Box 635 – 80300
 VOI, KENYA.

(g) Entity Contacts

Telephone :(254) 0662 322234
 E-mail: vc@ttu.ac.ke
 Website: www.ttu.ac.ke

(h) Entity Bankers

1. Kenya Commercial Bank Ltd
Voi Branch
P. O. Box 137 - 80300
Voi, Kenya
2. Equity Bank Ltd
Voi Branch
P. O. Box 325 - 80300
Voi, Kenya.




(i) Independent Auditors




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

(j) Principal Legal Adviser

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

3. The University Council

<p>1. Prof. Isaac M. Mbeche</p> 	<p>Born: 1952 PhD in Management Science (University of LancasterUK); MA (University of Nairobi); B.Ed. (Science)University of Nairobi. He has vast Experience of over40 years at various levels of Higher education sector as an Administrator, an accomplished Academician with published Academic work and student supervision. He has been the Deputy Vice Chancellor (Student Affairs) of The University of Nairobi since 2011 and is a member of many organizations both Locally and Internationally. He is the Chairperson of Taita Taveta University Council.</p>
<p>2. Dr. David N. Watene</p> 	<p>Born: 1967 PhD (Education Administration and Management - Maasai Mara University); M.Ed. (Education Administration & Planning); B.Ed. (Arts) (Accounting & Economics), University of Nairobi. He has vast experience of over 31 years at various levels of Education sector as an education administrator and manager/supervisor, Senior Education Officer, Assistant Director, Senior Assistant Director and currently Director of Education in the Directorate of Higher Education. He represents PS-State Department for Higher Education and Research, Ministry of Education.</p>
<p>3. Mr. Joseph Kiarri</p> 	<p>Born: 1966 Bachelor of Commerce (BCom), Accounting Option, University of Nairobi (UoN). He has over 20 years' experience in Public Finance Management. He is currently working in the National Treasury and is a member of the Institute of Certified Financial Analysts (ICFA). He represents the PS-The National Treasury.</p>

<p>4. Dr. Mary Njoki Ndiba</p> 	<p>Born: 1960 Bachelor of Social Work from Miles College, Birmingham, Alabama, Master of Social Work (MSW) and PhD, Catholic University, Washington DC USA. She has twenty (21) Years of experience in the areas of social advocacy, social research and counselling (academic and clinical environment). She has a wide experience in strategy, consultancy and Academic work. She is a member of the Council.</p>
<p>5. Ms. Jayne K. Mwanza</p> 	<p>Born 1965. MBA (Human Resource Management) Kenyatta University (KU), Bachelor of Arts (B.A) Degree, University of Nairobi (UoN) and Higher Diploma in Human Resource Management, Kenya Polytechnic. She worked as the Assistant Registrar in charge of Examinations and Admissions Jomo Kenyatta university of Agriculture and Technology (JKUAT) and at University of Nairobi (UoN). She has over 20 years working experience in Human Resource Management and currently works as Chief Executive Officer, Rock Global Ltd. She is a member of the Human Resource Development Committee of Council.</p>
<p>6. Mr. Nashon Oluoch Nyona</p> 	<p>Born: 1961 MSC in Food Science (Thesis option), Alabama A & M University U.S.A and BSC (Honours) Food science & Technology from the same University. He has been Graduate Assistant, Lecturer and currently a Managing Director Lule Autoworld and Construction Company Ltd where he has served since 1998. He has a span of over 40 year experience. He is a member of the Council.</p>

Ms. Mohamed Nahida Athman



Born 1985
Master of Business Administration, Strategic Management, University of Nairobi.
Bachelor's Degree in Hotel and Hospitality Management Moi University.
Diploma in Disaster Management, Centre for Disaster Management and Humanitarian Assistance.
Currently pursuing two PhDs, one in Economics at Moi University (Writing Thesis) and the other one in Strategic Management at Pwani University.
Currently working as the Managing Partner at Nagburry Global Consulting LLP.
She worked as the County Executive Committee Member (CECM), County Government of Kilifi and has held other leadership positions at the same County.

8. Ms. Rabia Mere Salim






Born 1983
Currently pursuing a Master of Business Administration (University of Nairobi), Bachelor of Science –Business Administration (USIU –Africa, Nairobi). She is a Financial/Economic advisor who plays key roles in improving strategic leadership in investor management business development and relationship management and also identifying solutions to the economic problems affecting institutions and providing advice to both governments and private sector on policy development.
She currently works as the Head –Partnerships & Networking at Mombasa Investment Corporation (MIC) - Mombasa County Government. She was also the Ag. Chief Officer –Tourism at Mombasa County Government. She has also worked as the Economic Advisor at Kilifi County Government.

9. Prof. Fred Simiyu Barasa



Born: 1960
PhD in Comparative and International Education (University of Natal); MA(Ed.) and B.Ed. (Sc) – Kenyatta University; Has previously served as the Executive Director/CEO of the African Council for Distance Education (ACDE); Manager (Academic Program Development and Management at the African Virtual University (AVU); Director, College of Distance Education (Egerton University); Dean, School of Education, Arts and Theology (Kabarak University); Dean, Faculty of Education and Human Resources (Egerton University), and Chairman, Department of Educational Foundations. He has also served as Deputy Principal (Administration, Finance and Planning), TTUC as well as Deputy Vice Chancellor (Administration, Finance and Planning), TTU. He is currently the Vice Chancellor.

4. Key Management Team

<p>1. Prof. Fred Simiyu Barasa</p> 	<p>Vice Chancellor Accounting Officer/ Chief Administrative and Academic Head of the Institution</p> <p>PhD, Comparative and International Education, University of Natal, RSA</p>
<p>2. Prof. Christine Atieno Onyango</p> 	<p>Deputy Vice Chancellor (Academic, Research and Outreach) Head of Division and responsible for Academic, Research and Outreach functions of the institution.</p> <p>PhD in Food Science and Post-Harvest Technology, Jomo Kenyatta University of Agriculture and Technology.</p>
<p>3. Prof. Kiptanui Jonah Arap Too</p> 	<p>Deputy Vice Chancellor (Administration, Finance and Planning) Head of Division and responsible for Administration, Finance and Planning functions of the University.</p> <p>PhD in Civil Engineering specialised in Geotechnical Engineering, Kyoto University, Japan.</p>

5. Chairman's Statement

The financial year 2023/2024 marks the thirteenth year of our stewardship over financial and other resources entrusted to us. Conscious of our mandate and guided by our motto of "Home of Ideas", we endeavour to prudently manage resources at our disposal in addition to offering the highest quality of service to our clients and all stakeholders. Taita Taveta University continues to ensure strict financial discipline, focused execution of the management agenda and resolute pursuit of agreed strategies.

The Financial Year ended 30 June, 2024 was full of activities with the University actively participating in several consultative and sensitization forums on Public Sector Reforms spearheaded by the Executive Office of President and the Parent Ministry of Education. The FY 2023/2024 presented great opportunities for development and growth but also significant financial shortfall challenges. However, the resources allocated and received have been instrumental in facilitating infrastructure and human resource development, and in particular the support towards personnel emolument commitments. Ongoing infrastructural projects include: construction of Phase II and III of the state-of-the art Centre for Mining, Fuels and Mineral Processing Engineering; construction of the Central Administration office block at the Main Campus; and construction of the office and classroom block at Taveta. This infrastructural development once completed will go a long way in meeting Taita Taveta University core mandate of Education, research and community outreach. On the Human Resource capital, Taita Taveta University is privileged to have qualified Management team and staff who are committed to the growth of Taita Taveta University. The University is supporting staff pursuing PhD, Master and Bachelor degree study programmes within Kenya and the globe. These Human resource capacity building Strategies will go a long way in enhancing better service delivery to Taita Taveta University fraternity and the community at large. With all the developments ongoing, the University has continued to deliver on its core mandate of academic programmes prudently while maintaining and securing her assets.

Despite the development and growth achievements highlighted above, Taita Taveta University faced and still faces many challenges. Inadequate funding from the exchequer, near constant recurrent and capital funds allocated to the University and low staffing levels for both academic and administrative staff are among the challenges experienced. As Taita Taveta University transits and implements Commission for University Education (CUE) Regulations, Universities Standards and Guidelines on increasing staffing levels, construction of a Modern Library, expansion of office and classroom space, equipping and modernizing laboratories and workshops, construction of a Security Access Control Gate and supply of clean water through connection to the Mzima Springs pipeline, will continue being the University's highest priority.

In planning and budgeting, the University takes into account the Bottom Up Economic Transformation Agenda (BETA), Medium Term Planning, Sustainable Development Goals (SDGs) and Vision 2030 among other National priorities. The University Council is committed to continuous improvement in the Governance and Management of Taita Taveta University.


Prof. Isaac Meroka Mbeche, PhD
Chairman of the Council.

6. Report of the Vice Chancellor/Chief Executive Officer

The financial year 2023/2024 has been an eventful year that presented new challenges and opportunities, underpinned by the first phase in implementation of the New Student Centred Funding Model for universities. However, over the said period, the University has managed to meet its core mandate of teaching, research and community outreach through numerous strategic interventions and activities despite inadequate recurrent capitation, increasing food prices, a hike in teaching/learning materials and operational expenses, as well as reduction in capital funds. In the period under review, the University continued to make significant progress towards attaining certification on International Organization for Standardization (ISO) 90001:2015, implementation of Phase II of the Centre of Excellence for Mining, implementing Environmental Engineering and Resource Management (CEMEREM) project at Taita Taveta University in collaboration with German Universities and steady execution of the other projects undertaken in partnership with the University of Helsinki, implementing KALRO funded projects namely, Taita Banana, Taita Soils and Taita Feeds. The University undertook various austerity measures aimed at cost reduction and cost containment. We appreciate the support and goodwill of the University Council and the Government of Kenya. Despite the challenges, they have continued to support our innovative ideas and Taita Taveta University has made good progress on all fronts.

Financial Performance

In the FY 2023/2024, Taita Taveta University received from the Government of Kenya a total of **KES. 364,854,060** for recurrent expenditure and **KES.7,500,000** for development expenditure. The University was able to generate Appropriation-in-Aid of **KES.217,622,987**. During the year under review, the University realized a deficit of **KES.52,970,808** an improvement as compared with a deficit of **KES. 61,307,619** in the FY 2022/2023. The improvement is attributed to the New Funding Model introduced by the Government of Kenya and rolled out with the First Year cohort of 2023 that saw the full implementation of the Differentiated Unit Cost (DUC) model of costing each Academic Programme and the introduction of Bachelor of Education Arts and Bachelor of Science Civil Engineering that enabled the University to record increased student numbers as compared with the previous financial year of 2022/2023. It is the Universities expectation that the financial performance will greatly improve in the subsequent years as more Academic Programmes are scheduled for introduction from the next First Year intake. Additionally, the University has been receiving inadequate capitation from the Government of Kenya hence posing challenges to realization of the envisaged activities and other University operational needs. In order to address this revenue shortfall, the University is implementing several strategies including; introduction of additional new academic programmes, greater and diversified engagement with stakeholders, implementing planned commercialization of University facilities, expansion of postgraduate programmes and ongoing restructuring of University administrative structures to achieve leanness and enhance efficiency, and the review of academic programs curriculum to enhance relevance, eliminate overlaps and ensure alignment with revised guidelines and standards by the Commission for University Education (CUE).

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During the year under review, TTU closed the financial year with total pending bills of **KES. 388,010,433** arising from unpaid supplier invoices, unpaid part time teaching claims, other service providers' dues, provision for retention, student fees overpayments, payroll provisions including June 2024 salaries that were unpaid as at 30th June, 2024 due to late release of June, 2024 capitation and hospital bills. The bulk (30%) of pending bills (**KES.116,334,328**) is Part-Time Lecturer's arrears arising as a consequence of significant understaffing for academic staff resulting from insufficient recurrent capitation to recruit additional staff. The other main contributor is pending Employee Benefit Obligation that accounted for another (26%) of pending bills at (**KES. 102,573,654**) and this arose mostly from the reduced recurrent capitation allocated to the University over the years which is inadequate to cover all the personnel costs. Though the financial resources are limited as compared with the daily University financial needs, TTU management is committed to reducing the pending bills over time with the numerous strategies of revenue mobilization it has deployed, including the introduction of new programmes which are not capital intensive.

To cater for the current and projected new student numbers, and in line with Government policy of prioritizing completion of ongoing projects during the period under review, the University focused on completion of the construction and equipping of the Mining and Mineral Processing Centre (MMPE) Complex, the Central Administration Office Block and the Office and Classroom Block at Taveta as the major on-going projects which are aimed at increasing the number of laboratories, engineering workshops, teaching and office space to improve teaching, research and work environment. To ensure quality of teaching and learning, the University has continued to systematically revise and update its academic programs and develop new niche areas in line with identified national priorities especially the Bottom up Economic Transformation Agenda.

The financial year ended 30th June, 2024 saw the University implement key reforms being spearheaded by the Executive Office of the President through the Head of Public Service and Secretary to the Cabinet and the parent Ministry of Education geared towards strengthening Governance and improving on Reporting and Accountability. The new reforms introduced includes 100% rollout of E-CITIZEN services in payment of student fees and other charges and rollout of the New Student Centred Funding Model. The University continue implementing austerity measures including prioritizing on critical expenditure to mitigate the spiralling costs without corresponding increase in revenue. During the period under review, the University Management continued to engage the Line Ministry and the National Treasury in order for the University's budget allocation to be reviewed upwards to a level that may more reasonably be able to cater for the growing needs of the University. Further the University continued to experience significant water shortage and was forced to continue relying on private water boozers for water supply for both consumption and cleaning. Accordingly, the call for Government support to help us actualize the plans to connect the University to the reliable Mzima Springs water supply is still of highest priority.

This fiscal year, the Management Team identified protecting and strengthening the balance sheet, increasing IGU income, efficient and transparent debtors' and creditors' management, strategic capital expenditure as well as strengthening and diversifying international collaborations in research and development as its key priorities. However, the institution still relied largely on the Bank Overdraft facility currently capped at KES.50 Million to ensure that service provision was offered to

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clients uninterrupted. As at 30th June 2024, the Bank overdraft stood at **KES.45,423,366**. The University management is committed to reducing the bank overdraft with time.

Further, during the period under review, TTU strived to comply with all the statutory requirements. All payments for taxes deducted from staff salaries and suppliers, NHIF contributions, NSSF and PAYE were remitted on time to the relevant authorities. However, some delays in remitting some staff salary deductions and June 2024 statutory deductions was experienced due to delay in receipt of June, 2024 capitation and deficit arising from reduced Government capitation against rising costs.

TTU has no major financial improbity as per internal audit/TTU Council Audit, Risk and Governance Committee, external auditors, or other National Government Agencies providing oversight.

Additionally, there are no governance issues among the Council members and top management including conflict of interest.

Conclusion

The University is grateful to the Government of Kenya and the Ministry of Education for the continued support. The Taita Taveta University community will continue to work hard to meet targets as set in the Strategic Plan and mandate as provided in the Universities Act 2012 and its amendments and the Taita Taveta University Charter. In addition, the University takes into Bottom Up Economic Transformation Agenda (BETA), Medium Term Plan (MTP), Sustainable Development Goals (SDG) and Vision 2030 among other National priorities in planning and budgeting.



Prof. Fred Simiyu Barasa, PhD

Vice Chancellor

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7. Statement of Performance against Predetermined Objectives for FY 2023/2024

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.

Taita Taveta University (TTU) has six strategic pillars and underlying strategic objectives within its Strategic Plan for the FY 2023- 2028. These strategic pillars are as follows:

Pillar 1: Excellence in Teaching, Research, and Outreach: To increase research, academic & engagement capacity and impact;

Pillar 2: Improving campus Facilities and the Learning Environment: To provide high quality infrastructure to support teaching & Learning and provide sustainable and reliable water supply;

Pillar 3: Enhancing Student Experience and Student Affairs: To promote the health and well-being of students including strengthening of Sports, Culture and Art and strengthen the capacity of TTU alumni unit;

Pillar 4: Human Resources Development: To attract and retain optimum number of qualified staff to meet the current and future needs;

Pillar 5: Resource Mobilization: To strengthen the financial management and resource policies and strategies;

Pillar 6: Strategic Management, Leadership, and Corporate Governance: To strengthen TTU’s institutional and governance organs for decision making; to strengthen the strategic partnerships and networking and to Strengthen TTU’s corporate identity and visibility in the region and internationally.

Taita Taveta University develops its annual work plans based on the above 6 pillars. Assessment of the Council’s performance against its annual work plan is done on a quarterly basis by way of quarterly performance contract progress reports, and on annual basis by way of annual performance contract evaluation report and annual Council Performance Evaluation conducted by the State Corporations Advisory Committee (SCAC).

The University largely achieved its performance targets set for the FY 2022/2024 period for its six strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Excellence in Teaching, Research, and Outreach	Increase research and publication annually	Thirty (30) new publications in refereed journals.	Produce 30 new publication refereed journals as follows; SSI (11), SAEES (8), SBESS (11) and SME (5)	35 No. publications in referred journal published
	Enhance Research Infrastructure	Hosting/attendance of conferences.	Enhance personal/institutional networks through: attendance of conferences and sign MoUs and research collaborations with	TTU undertook outreach and sensitization of farmers on farmers’ field school approach and on-farm rice

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			other institutions and organizations Holding of Conference	experiment. Development of one (1) prototype innovation for the mining and engineering was done. TTU undertook one (1) study on dynamic of housing, preference and rental rates in Voi to aid decision making under the big 4 agenda
	Improve the quality and assessment in teaching ,learning & curriculum	Training report	Knowledge development and capacity Building	Hosted two (2) researchers from partner Universities in German so as to enhance postgraduate supervisory skills of academic staff.
	Increase engagement activities with industry, alumni, and community	Program for the virtual open day Program and notice of the capacity building Report of the Capacity building.	promote community outreach programmes by Organizing one (1) virtual open day for students	Virtual open day held on 31/03/2023 1No. Capacity building workshops was conducted for artisanal miners
Pillar 2: Improving campus Facilities and the Learning Environment.	to improve the levels of staff and student welfare activities	Establish a SACCO Office	Register a SACCO with the Society	TTU has managed to register and operationalize TATUCO SACCO
Pillar 3: Enhancing Student Experience and Student Affairs.	Enhance cross cutting mainstreaming issues	List of counselled students/attendees Committee appointment letters	a) Conduct one (1) online group counselling session on digital platform b) Appoint a Disability mainstreaming Champion/Focal Person. c.) Establish/reconstitute a functional gender committee and train members on gender equality d) Sensitize staff and students on Alcohol and Drug Abuse(ADA) e) Allocate resources for implementation of HIV and NCD interventions e) Put in place mechanisms to mitigate against technological hazards, terrorism, fire and natural disasters by i) Maintaining an armed police presence from the Critical Infrastructure Police Unit to respond to emergencies	ADA Prevention, Gender, Disability, Road Safety, HIV Prevention Mainstreaming Committees have been established Sensitization on ADA was conducted and students counselled on post covid issues Armed Police attached to the University

Taita Taveta University
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			f). Submit in the prescribed format the Annual Report on measures taken and progress achieved in the realization of National Values and Principles of Governance.	
	Enhance internship, and placement of students	List of students engaged	Engage 74 youths under internship (5) and attachment (69) arrangements	TTU engaged 74 youths under internship and attachment arrangements
Pillar 4: Human Resources Development.	Conduct a competence and training needs assessment	skills gap analysis and staff training need assessment report	Undertaking of institutional skills gap analysis and carrying out of staff training need assessment	TTU has conducted and presented the skills gap analysis report to the Administration Division Management for consideration
Pillar 5: Resource mobilization.	Enhance income generated from Research and Development projects.	Funding from Research and Development enhanced and diversified Report on the training.	Conduct one (1) follow up training for staff on Leadership and Governance in Research Management	TTU received Funding from different agencies e.g. CEMEREM, TAITAGIS, TAITARICE, TAITA Banana, TAITA Pasture and TAITA Soil
Pillar 6: Strategic Management, Leadership, and Corporate Governance	Improve /enhance Service delivery	Displayed and customized SDC	Display the Citizens' Service Delivery Charter (3"x4") at key service point's i.e. Main Administration Block Reception, Library and Academic Building Reception in both English and Kiswahili Customize the charter to unique needs and convenient access of the customers by, providing mechanisms for sign language, providing audio recordings and uploading the Charter on the University's online platforms	Service Delivery Charter displayed in both English and Kiswahili languages SDC customized in sign language, audio recordings and in braille

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8. Corporate Governance Statement

The University is overseen by a Council constituted in accordance with the Universities Act 2012. In the Financial year 2023/2024, the University had a fully constituted Council with a Chairman and Eight (8) members, including the Vice Chancellor who is also the Council Secretary.

During the year under review, the council sub committees held meetings to deliberate on various matters of the University.

Taita Taveta University is required to prepare financial statements, which give a true and fair view of the state of affairs of the University as at the end of financial year, and of its surplus or deficit for the year.

The University is required to ensure that proper accounting records that disclose, with reasonable accuracy, at any time the financial position of the University, are maintained. The Council is also responsible for safeguarding the assets of the University. The Council accepts responsibility for annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in conformity with International Financial Reporting Standards.

The Council confirms that the financial statements give a true and fair view of the state of financial affairs of the University as at June 30, 2024. The Council further confirms the accuracy and completeness of the accounting records maintained by the University, which may be relied upon in the presentation of the financial statements, as well as on the accuracy of the systems of internal controls.

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. The Council thanks the Staff for their dedication and hard work in the last financial year.

The Annual Report and Financial Statements were submitted to the Full Council for consideration and were duly approved on 10/7/2024.

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9. Management Discussion and Analysis

University's Operational and Financial Performance

During the financial year 2023/2024, the University registered a deficit of KES.52,970,808 as compared to a deficit of KES. 61,307,619 registered in 2022/2023 Financial Year. During the year under review, the University recorded total revenue of KES. 628,005,404 compared to KES. 577,996,580 recorded in 2022/2023 Financial Year. The improvement is attributed to the New Funding Model introduced by the Government of Kenya and rolled out with the First Year cohort of 2023 that saw the full implementation of the Differentiated Unit Cost (DUC) model of costing each Academic Programme and the introduction of Bachelor of Education Arts and Bachelor of Science Civil Engineering that enabled the University to record increased student numbers as compared with the previous financial year of 2022/2023. The deficit also resulted from reduced Recurrent Capitation from KES. 406,118,796 in the year 2022/2023 to the current KES. 364,854,060 in FY.2023/2024.

Despite the hard economic times faced in the country the management is optimistic that the University Budgetary allocation will be enhanced by the Government through the Ministry of Education in the subsequent budget cycle. Additionally, as part of increasing revenues, the Management has submitted over Seven (7) new Academic Programmes to Commission of University Education (CUE) for accreditation and already some are at the final stages of approval before they are made available for selection by potential students in the subsequent KUCCPS placement.

Revenues

Government Capitation

Taita Taveta University being a Government owned entity, receives recurrent and development capitation to finance its operations. In 2023/2024, the University received a total of KES.364,854,060 and KES.7,500,000 for recurrent and development expenditure respectively.

Research Grants

The University works in partnership with International Donors in implementing research and development projects that are aimed at building the capacity of students and staff. The key research projects implemented in the financial year 2022/2024 include: the Centre of Excellence for Mining, Environmental Engineering and Resource Management (CEMEREM) in partnership with the University of Applied Sciences Dresden (HTWD) and the Technische Universitat Bergakademie Freiberg (TU BAF) these German Universities funded by DAAD, the TaitaGIS project undertaken in partnership with the University of Helsinki funded by the Finland Government, (ABS-CIAT) domiciled in the School of Agriculture & Earth Sciences aimed at promotion of appropriate Climate-Smart Crop Innovations in Taita Taveta County through farmer field schools in partnership with other stakeholders including County Government of Taita Taveta Department of Agriculture and KALRO and a Project code named UPLIFT-AG also domiciled in the School of Agriculture and is geared towards Universities Promoting Linkages for Impactful Training, Innovation and Technology Transfer (**UPLIFT**) in Agriculture (**UPLIFT-AG**)

A total of KES.45,528,352 was received from the International Partners in the financial year 2023/2024.

Student Fees

The University raised fees from students' and other Income Generating Activities totalling KES.201,932,926 during the year under review and accounts for 32.15% of the total revenue. These comprise of fees from Government sponsored students and Self-sponsored students (Module II). The funds were prudently spent in meeting the University operations.

Other Incomes

Included under this category are incomes from accommodation, catering services and Income Generating Units (IGUs). A total of KES. 15,690,066 was raised in the year under review and accounts for 2.5% of total revenue.

AIA accounted for 34.65% of the recurrent revenues including donor funded research projects as compared to 24.77% of the previous Financial Year 2023/2024. The increase was as a result of introduction of New Funding Model for First year students and improvement in enrolment as compared with the previous financial year.

Expenses

Employee Costs.

Employee costs accounted for 65.7% of the total University recurrent and development expenditure and 66.6% in the comparative period.

Operating and Administrative expenses

This accounts for 30.8% of the total recurrent and development expenditure as compared with 30.2% in the comparative period. Included under this category are:

- i. Expenditure relating to research grants projects
- ii. Expenditure on Income Generating Activities
- iii. Repair and Maintenance expenses
- iv. Teaching and Office running expenses
- v. Transport and Travel expenses
- vi. ICT expenditure
- vii. Medical expenses
- viii. Council expenses

Capital Development Expenditure

In the year under review, the capital development capitation received significantly decreased from **KES. 35,487,583** received in the FY 2022/2023 to **KES. 7,500,000** received in the FY 2023/2024. This has negatively affected the implementation and progress of the on-going projects.

The financial year ended 30th June, 2024 has seen the institution continue implementing austerity measures including reduced activities on a priority basis to mitigate the spiralling costs without corresponding increase in revenue. During the period under review, the University Management continued to engage the Line Ministry and the National Treasury in order for the University's budget allocation to be reviewed upwards to a level that may more reasonably be able to cater for the growing needs of the University. Further the University continued to experience significant water shortage especially during the initial Months of the financial year i.e July 2023 to October 2023 and

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was forced to continue relying on private water boozers for water supply for both consumption and cleaning. Accordingly, the call for Government support to help us actualize the plans to connect the University to the reliable Mzima Springs water supply is still of highest priority.

This fiscal year, the Management Team identified protecting and strengthening the balance sheet, increasing IGU income, efficient and transparent debtors' and creditors' management, strategic capital expenditure as well as strengthening and diversifying international collaborations in research and development as its key priorities. However, the institution still relied largely on the Bank Overdraft facility currently capped at KES.50 Million to ensure that service provision was offered to clients uninterrupted.

During the period under review, TTU strived to comply with all the statutory requirements. All payments for taxes deducted from staff salaries and suppliers, NHIF contributions, NSSF and PAYE were remitted on time to the relevant authorities. However, some delays in remitting some staff salary deductions was experienced due to a deficit arising from reduced Government capitation against rising costs.

TTU has no major financial improbity as per internal audit/TTU Council Audit, Risk and Governance Committee, external auditors, or other National Government Agencies providing oversight.

Additionally, there are no governance issues among the Council members and top management including conflict of interest.

10. Environmental and Sustainability Reporting

Taita Taveta University exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on the six pillars: Excellence in Teaching, Research, and Outreach; Improving campus Facilities and the Learning Environment; Enhancing Student Experience and Student Affairs; Human Resources Development; Resource Mobilisation; and Strategic Management, Leadership, and Corporate Governance.

Below is an outline of Taita Taveta University's policies and activities that promote sustainability.

i) Sustainability strategy and profile

TTU's strategic plan 2023 -2028 aims at strengthening the capacity of TTU to provide relevant and responsive higher education on sustainable development in the areas of mining and natural resources management. Besides offering Undergraduate and Postgraduate courses on Mining and Mineral processing engineering, TTU established the Centre of Excellence in Mining Environmental Engineering and Resource Management (CEMEREM).

In the year under review, the University actively engaged in partnerships and collaborations with other institutions of higher learning, research organizations, industry and the private sector in ensuring sustainability of the programmes. To this end, the University implemented a total of six research funded projects that were funded by different strategic partners aimed at building the capacity of students and staff.

ii) Environmental performance

The University acknowledges that her activities have an impact on the environment. It is for this reason that the University has an Environment policy that clearly indicates the University's commitment to environmental sustainability. Whereas the University is located in a semiarid climate zone, through the Policy the University has been able to maintain her Grounds in an environmentally sensitive way (Landscaping and Tree planting) having regard to the protection of natural habitats and local Wildlife. The University is on the journey of creating a micro climate within the University by creating a mini forest cover through tree planting.

In the year under review the University actively participated in the National Tree Growing campaign and managed to plant over 15,000 trees within the University compound and some at the Mwamusha water catchment area.

iii) Employee welfare

Gender Ratio

The University has several policies in place to cater for its employee's welfare including its Chapter Collective Bargaining Agreements (CBAs) and the Human Resource Manual which specifically guide its recruitment and management of staff welfare in terms of ensuring representation of all genders and other special groups. In addition, the University has a specific clause in its advertisement encouraging the Women and people living with disability to apply and an additional mark for women and people living with disability.

Stakeholder Engagement

As a practice all the policies developed by the University have a clause entrenched to ensure engagement of various stakeholders that the proposed policy shall govern.

Improving skills and managing careers, appraisal and reward systems

The University conducted a skills gap analysis to establish the skills gap amongst its staff. The Implementation of the identified gaps is ongoing. The University has developed and implemented competitive terms and conditions of service for its employees for use to attract employees with specialized skills. The University has also developed and implemented a continuous exit questionnaire to help in obtaining views on the existing gaps for future corrective action as well as improvements.

To comply with the requirements of the Occupational Safety and Health Act of 2007;

The University has set up a committee that will advise on all work place safety related issues as well as prepare the University for the Health Safety Inspection. Additionally, the University has acquired the following annual insurance covers for its staff in addition to regular sensitization of its members on work place safety and hazards;

- i) Work Injury Benefits Act Insurance
- ii) Group Personal Accident
- iii) Group Life Assurance

The HR Manual also outlines various obligations of employees and the University as far as safety at work place or during work is concerned.

iv) Market place practices-

Taita Taveta University continuously works to ensure the following practices are done with utmost professionalism for the betterment of society;

a) Responsible competition practice.

The University Management ensures responsible competition practices:

Anti-corruption – The Management ensures the staff, students and customers are treated fairly, equally and in accordance with established policies and procedures that govern every activity within the University. The Management adheres to national laws and regulations in regard to preventing corruption within the University and has established relevant committees not only to prevent corruption but also how whistle blowers can report cases of real or suspected corruption. It regularly submits quarterly reports to the Economic and Anti-Corruption Commission (EACC). The University Management has displayed at conspicuous places messages that the University is a ‘Corruption Free Area’.

Responsible political involvement – The University Management has established policies and mechanisms that do not allow partisan politics among staff or students within her compound. The staff are allowed to join and participate in union activities that are registered and formally recognized by the University while students are allowed to elect officials to the Students’ Governing Councils on an annual basis.

The University Management adheres to rules of fair competition and respect for competitors. It believes in the principles of equal opportunities for employees, students and customers as well as affirmative action as enshrined in the Constitution of Kenya and related laws and regulations.

b) Responsible Supply chain and supplier relations

The University Management adheres to the principles of fair and cordial business dealings with its business partners as guided by various laws, regulations and policies. The university has customer service delivery charter and quality management system that promotes good business practices that is cascaded from the top to the lower levels.

The University suppliers are given equal opportunity and reasonable time to participate in tenders for supply and delivery of goods, works and services in an open, fair and transparent manner and in strict adherence to the Constitution of Kenya, Public Procurement and Asset Disposal Act, 2015 and attendant Regulations, 2020. The terms and conditions of the contracts entered between the University and the suppliers are honoured and respected; where there's a dispute or misunderstanding, a dispute resolution mechanism is used to find an amicable solution. Supplier invoices for payment of goods, works and services are settled upon inspection and acceptance that they are of the right quality and quantity.

c) Responsible marketing and advertisement

The University Management strives to promote its unique programmes to the customers that enhances trust and build a strong brand through print, electronic media and social media. The advertisements are honest and trustworthy, and geared towards forging a strong bond with the target customers.

d) Product stewardship

The management has established a mechanism for open communication with customers through provision of telephone, postal and email address. When customer rights are infringed, there are customer boxes and complaint registers in the University for them to report and seek redress accordingly. The University has a quality management system and service delivery charter that outlines procedures to safeguard customer rights and interests.

e) Corporate Social Responsibility / Community Engagements

Taita Taveta University continues to embrace Corporate Social Responsibility in day to day activities. The University has a self-regulating model that helps it to be socially accountable—to itself, its stakeholders, and the public at large. By practicing corporate social responsibility, Taita Taveta University is conscious of the kind of positive impact we are creating on all aspects of society, including economic, social and environmental.

Taita Taveta University staff and students have participated in activities that have directly benefited the society while boosting its brand. We continue to forge a stronger bond between employees, students and community to enhance cooperation for the good of the society.

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11. Report of the Directors

The Council submit their report together with the financial statements for the year ended June 30, 2024, which show the state of the Taita Taveta University affairs.

i) Principal activities

The principal activities of the Taita Taveta University are Teaching, Research and Community Outreach.

ii) Results

The results of the Taita Taveta University for the year ended June 30, 2024 are set out on page 1 to page 55.

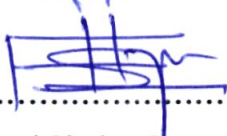
iii) Council

The members of the University Council who served during the year are shown on page xi to xiii.

iv) Auditors

The Auditor General is responsible for the statutory audit of the Taita Taveta University in accordance with Article 129 (4) of The Constitution of Kenya, Section 89 of the Public Finance Management (PFM) Act, 2012 and Public Audit Act, 2015.

By Order of the Board



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Prof. Fred Simiyu Barasa, PhD,
Vice Chancellor/Secretary to the Council

12. Statement of Directors Responsibilities

Section 89 of the Public Finance Management Act, 2012 and cap 446 section 14 of the State Corporations Act, require the Council Members to prepare financial statements in respect of Taita Taveta University, which give a true and fair view of the state of affairs of the Taita Taveta University at the end of the financial year/period and the operating results of the Taita Taveta University for that year/period. The Council Members are also required to ensure that the Taita Taveta University keeps proper accounting records which disclose with reasonable accuracy the financial position of the Taita Taveta University. The Council Members are also responsible for safeguarding the assets of the Taita Taveta University.

The Council Members are responsible for the preparation and presentation of the Taita Taveta University financial statements, which give a true and fair view of the state of affairs of the Taita Taveta University for and as at the end of the financial year (period) ended on June 30, 2024. 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 Taita Taveta University; (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 Taita Taveta University; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Council Members accept responsibility for the Taita Taveta University financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, 2012. The Council Members are of the opinion that the Taita Taveta University financial statements give a true and fair view of the state of Taita Taveta University transactions during the financial year ended June 30, 2024, and of the Taita Taveta University financial position as at that date. The Council Members further confirm the completeness of the accounting records maintained for the Taita Taveta University, which have been relied upon in the preparation of the Taita Taveta University financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Council Members to indicate that Taita Taveta University 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 Taita Taveta University Annual Report and Financial Statements were approved by the Council on 23/07/2024



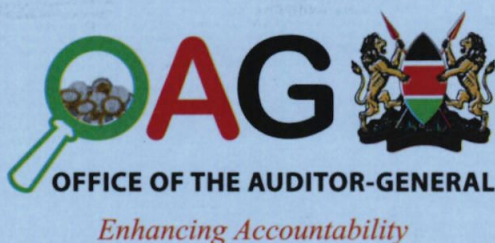
Prof. Isaac Meroka Mbeche, PhD
Chairman of the Council



Prof. Fred Simiyu Barasa, PhD
Vice Chancellor/Accounting Officer

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REPORT OF THE AUDITOR-GENERAL ON TAITA TAVETA UNIVERSITY FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Taita Taveta University set out on pages 1 to 50, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and, a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Taita Taveta University as at 30 June, 2024 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 University's Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unexplained Variances

The statement of cashflows reflects exchequer capital grants of Kshs.20,487,583 while the statement of changes in net assets reflects capital grants received of Kshs.7,500,000, resulting in unexplained variance of Kshs.12,987,583.

Further, the statement of financial performance, statement of cashflows and as disclosed in Note 15 to the financial statements reflect finance costs - interest of Kshs.6,898,448 (2023: Kshs7,047,605) for a bank overdraft of Kshs.45,423,366 (2023: Kshs.29,662,120). The inconsistency on the charges against the loan amounts was neither explained nor supported with bank statements.

In the circumstances, accuracy and completeness of the capital grants of Kshs.7,500,000 and finance costs - interest of Kshs.6,898,488 could not be confirmed.

2. Unsupported Prior Year Adjustments (Debts Write Off)

The statement of changes in net assets reflects prior year adjustments (old debts write off) of Kshs.14,050,464. However, the adjustments were not supported and the authority from the Principal Secretary, State Department of University Education to write off the debts was not provided for audit review.

In the circumstances, accuracy and completeness of prior year adjustments of Kshs.14,050,464 could not be confirmed.

3. Cash and Cash Equivalents

The statement of financial position and Note 17 to the financial statements reflects cash and cash equivalents balance of Kshs.27,759,221. Review of the cashbooks and bank reconciliation statements revealed the following anomalies;

3.1 Unexplained Variances on Opening Cashbook Balances

Review of the cashbooks revealed that the balance brought forward differed with balances carried down as at 30 June, 2023 for the following accounts

Account Name	Closing Balance 30 June 2023 (Kshs)	Opening Balance 1 July 2024 (Kshs)	Variance (Kshs)
KCB Student Fees	568,608	709,017	(140,409)
CEMEREM	5,524,908	5,509,108	15,800

3.2 Long Outstanding Reconciling Items

The bank reconciliation statements have long outstanding reconciling items which have not been investigated and corrective action taken as at the time of audit in December, 2024.

Account Name	Receipts in cash book not in bank (Kshs)	Payments in cashbook not in bank (Kshs)
KCB- Student Fees	1,373,032	13,000
KCB -Catering	704,482	459,480
KCB-Cemerem Project Account	-	993,380
Equity – School Fees	353,551	17,000

3.3 Unsupported Restatement

The statement of financial position and Note 17 to the financial statements reflects restated cash and cash equivalents balance for the previous financial year of Kshs.18,561,208. However, the restatement as explained in Note 37 to the financial statements was not supported.

In the circumstances, accuracy and completeness of cash and cash equivalents balance of Kshs.27,759,221 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Lawfulness and Effectiveness in Use of Public Resources which remained unresolved as at 30 June, 2024. Management has not explained the reason for that status.

Other Information

The Directors are responsible for the other information set out on page vi to xxxi, which comprise of Key Entity Information and Management, The University Council, Key Management Team, Chairman's Statement, Report of the Vice Chancellor, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Unapproved Over-expenditure

The statement of financial performance and Notes 11 and 13 to the financial statements reflects employee costs and use of goods and services amounting to Kshs.463,113,667 and Kshs.153,395,217, which includes casual wages and part time teaching expenditures amounting to Kshs.9,460,932 and Kshs.19,663,200 respectively in the items had approved budgets of Kshs.7,500,000 and Kshs.5,712,490, resulting to unapproved over expenditures of Kshs.1,960,932 and Kshs.13,950,710 respectively. This is contrary to Regulation 44(2) of the Public Finance Management (National Government) Regulations, 2015 which provides that National government entities to execute their approved budgets based on the annual appropriation legislation and the approved annual cash flow plan.

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

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

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and University Council

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 January, 2025

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024


14. Statement of Financial Performance for the year ended 30 June 2024

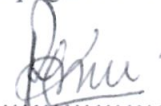
	Note	FY.2023/2024	2022/2023
REVENUE		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from Ministries, Departments and Agencies (MDAs)	6	364,854,060	406,118,796
Donor Funded Projects/Donations	7	45,528,352	28,699,165
Total (a)		410,382,412	434,817,961
Revenue from exchange transactions			
Income from Rendering of Services	8	201,932,926	126,832,512
Income from Other Services Rendered	9	10,618,611	13,488,705
Income from other activities	10	5,071,456	2,857,402
Total (b)		217,622,992	143,178,620
Total revenue (a+b)		628,005,404	577,996,580
EXPENDITURE			
Employee Costs	11	463,113,667	439,932,174
Maintenance Costs	12	2,433,892	2,057,598
Use of Goods and services	13	153,395,637	136,404,797
Council Activities	14	11,945,346	9,915,833
Finance Cost	15	6,898,448	7,047,605
Depreciation and amortization expense	16	42,374,445	43,811,286*
Total expenses		680,161,434	639,169,293
Deficit		(52,156,031)	(61,172,713)
Increase in provision for Doubtful debt	18(b)	(795,558)	(104,569)*
Loss on Foreign Exchange Transaction	29	(19,219)	(30,337)
NET LOSS BEFORE TAX		(52,970,808)	(61,307,619)
Tax expense		0	0
Total Deficit for the year		(52,970,808)	(61,307,619)*


*Restated, See Note 37

The notes set out on pages 10-55 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1-9 were signed on behalf of the Council by:


 Prof. Fred Barasa, PhD.
 Vice Chancellor


 CPA Peter Kisombe
 Director of Finance
 ICPAK Member No. 10342


 Prof. Isaac Meroka Mbeche, PhD
 Chairman of the Council

Date 30/12/2024, Date 30/12/2024

Date 30/12/2024

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

During the financial year 2023/2024, the University registered a deficit of KES. 52,970,808 as compared to a deficit of KES.61,307,619 registered in 2022/2023 Financial Year.

The slight improvement is attributed to the New Funding Model introduced by the Government of Kenya and rolled out with the First Year students enrolled on September, 2023 that saw the full implementation of the Differentiated Unit Cost (DUC) model of costing each Academic Programme and the introduction of Bachelor of Education Arts and Bachelor of Science Civil Engineering that enabled the University to record increased student numbers as compared with the previous financial year of 2022/2023. The deficit is also as a result of little budgetary allocation over the years, especially for the Recurrent Capitation meant for payment of salaries and operations. The Recurrent capitation for the year under review was reduced from KES. 406,118,796 to KES. 364,854,060.

Despite the above deficit and the negative working capital, as shown in the Statement of Financial Position, the University Management continues to revamp its Revenues by introducing new niche Academic Programmes apart from seeking for additional funding from the Government of Kenya, through the Ministry of Education. Additionally, the University has put in place other measures for enhanced revenue collection and cost reduction such as:

- i). Rationalizing utilization of human resource capacity through consolidation of job descriptions and redeployments.
- ii). Commercializing university facilities to generate additional revenue.
- iii). Enhancement of university consultancy services as well as Research and Development Projects Funding.
- iv). Effective marketing and positioning of the University as a preferred destination for teaching and learning.
- v). The University Management has mandated the use of NHIF accredited facilities as a first line for medical services for staff; these releases designated referral hospitals for referral cases only. This has served to reduce high medical bills thus releasing working capital.
- vii). The University has progressively been recruiting qualified academic staff and those who have been out on studies are coming back which will reduce the units being taught by part time lecturers hence reducing the cost of part time lecturers.

Based on all the above strategies, the University Management confirms that the University will continue remaining as a going concern.

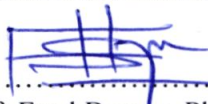
Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

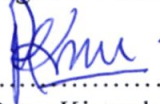
15. Statement of Financial Position as at 30 June 2024

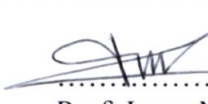
<u>Description</u>	<i>Note</i>	2023/2024	2022/2023
		Kshs	Kshs
<u>CURRENT ASSETS</u>			
Cash and cash equivalent	17	27,759,221	18,561,208*
Receivables from Exchange transactions	18	58,500,547	40,474,037 *
Receivables from Non Exchange transactions	19	30,404,505	12,987,583
Prepayments	20	3,313,378	0
Inventories	21	6,534,855	6,353,159
Biological Assets	22	1,545,500	1,266,400
Total (a)		128,058,006	79,642,387
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	23	3,197,911,459	3,233,258,778*
Intangible Assets-Software	24	19,587,259	19,716,002
Total (b)		3,217,498,718	3,252,974,780
TOTAL ASSETS (a+b)		<u>3,345,556,724</u>	<u>3,332,617,166*</u>
<u>LIABILITIES</u>			
<u>CURRENT LIABILITIES</u>			
Trade and other Payables from exchange transactions	25	215,089,013	183,031,771
Bank Overdraft	26	45,423,366	29,662,120
Employee benefit obligation	27	102,573,654	64,086,553
Payment received in Advance	28	24,924,400	24,414,510
Total Current Liabilities		388,010,433	301,194,953
<u>NON-CURRENT LIABILITIES</u>			
Total		0	0
<u>NET ASSETS</u>			
Capital/Development grants/Fund	Page 4	1,438,510,801	1,431,010,801
Retained Earnings	Page 4	(598,413,562)	(531,392,291)*
Revaluation Reserve	Page 4	2,117,449,052	2,131,803,703
Total Net Assets		2,957,546,290	3,031,422,213
TOTAL NET ASSETS AND LIABILITIES		<u>3,345,556,724</u>	<u>3,332,617,166*</u>

*Restated, See Note 37.

The financial statements set out on pages 1-9 were signed on behalf of the Council by:


 Prof. Fred Barasa, PhD.
Vice Chancellor


 CPA Peter Kisombe
 Director of Finance
ICPAK Member No. 10342


 Prof. Isaac Meroka Mbeche, PhD
Chairman of the Council

Date: 30/12/2024

Date: 30/12/2024

Date: 30/12/2024

16. Statement of Changes in Net Assets for the year ended 30 June 2024

Description	Capital/Development grants/Fund	Retained Earnings	Revaluation Reserve	Total
	KShs	KShs	KShs	KShs
<i>year ended 30-06-2024:</i>				
As at 1st July 2023	1,431,010,801	(531,392,291)	2,131,803,703	3,031,422,213
Surplus / (Deficit) for the period	0	(52,970,808)	0	(52,970,808)
Additions in the year	7,500,000		0	7,500,000
Prior Year Adjustments(old debts write off)		(14,050,464)		(14,050,464)
Depreciation	0		(14,354,651)	(14,354,651)
As At 30 June 2024	1,438,510,801	(598,413,562)	2,117,449,052	2,957,546,290
<i>year ended 30-06-2022:</i>				
As at 1st July 2022	1,266,832,940	(469,700,814)	2,927,309,502	3,724,441,628
Adjustments, WIP (Note 22)	(38,371,622)			(38,371,622)
Additions Resulting from Revaluation	167,061,900			167,061,900
Prior Year Adjustments(Plant, Machinery & Equipment Depreciation Adjustment)		1,698,383	31,494	1,729,878*
Revaluation loss (Note 21 b)			(785,473,880)	(785,473,880)
Revaluation gain on Intangible Asset			1,038,753	1,038,753
Surplus / (Deficit) for the period	0	(61,307,619)	0	(61,307,619)*
Additions in the year	35,487,583	0	0	35,487,583
Transfer of Accumulated Revaluation Surplus for Derecognised Assets		(2,082,241)		(2,082,241)
Depreciation	0		(11,102,167)	(11,102,167)
At 30 June 2023	1,431,010,801	(531,392,291)	2,131,803,703	3,031,422,213*

*Restated, please see Note 37.

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

17. Statement of Cash Flows for the year ended 30 June 2024

Description		2023/2024	2022/2023
	Note	KShs	Kshs
Cash flows from operating activities			
Receipts			
Transfer from Ministries, Departments and Agencies (MDAs)	6	334,449,555	406,118,796
Donor Funded projects/Donations	7	45,528,352	28,699,165
Income from rendering of services	8	183,683,007	124,385,678
Income from other services rendered	9	10,618,611	13,488,705
Income from other activities	10	4,499,306	2,857,402
Total Receipts		578,778,830	575,549,746
Payments			
Employee costs	11	427,422,675	406,696,960
Maintenance costs	12	2,433,892	2,057,598
Use of Goods and services	13	121,487,893	120,097,523
Council activities	14	11,945,346	9,915,833
Finance costs	15	6,898,448	7,047,605
Pending bills		15,524,284	6,375,026
Total Payments		585,712,537	552,190,545
Net cash flows from operating activities		(6,933,708)	23,359,201
Cash flows from investing activities			
Purchase of property, plant ,equipment (WIP)	23	(17,387,457)	(17,337,017)
Proceeds from Purchase of property, plant and Equipment-Computers	23	(403,077)	(3,557,701)
Proceeds from Purchase of property ,plant and Equipment-Buildings	23	(612,900)	0
Proceeds from Purchase of property, plant and Equipment-Plant, Machinery & Equipment	23	(894,710)	(1,190,095)
Proceeds from Purchase of property, plant and Equipment-Furniture & fittings	23	(635,500)	(668,627)
Purchase of software-GEOSERVE	24	(183,464)	0
Net cash flows used in investing activities		(20,117,108)	(22,753,440)
CASH FLOWS FROM FINANCING ACTIVITIES			
Exchequer capital grants	6	20,487,583	22,500,000
Repayment of borrowings			0
Net Cash flows used in Financing Activities		20,487,583	22,500,000
Net Increase (Decrease) in cash and cash equivalents		(6,563,233)	23,105,761
<i>Cash and cash equivalents at 1 July , 2023</i>		<i>(11,100,912)</i>	<i>(34,206,673)</i>
<i>Cash and cash equivalents at 30 June, 2024</i>		(17,664,145)	(11,100,912)
SUMMARY OF CASH AND BANK BALANCES			
Cash Book Balance	17	27,759,221	18,561,208
(Negative) Cash and Bank Balance	26	(45,423,366)	(29,662,120)
TOTAL		(17,664,145)	(11,100,912)

(Taita Taveta University has used direct cash flow method of presentation as prescribed by PSASB for all entities under the IPSAS Accrual basis of accounting).

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024

Particulars	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization	Notes
	Kshs	Kshs	Kshs	Kshs	Kshs		
	A	B	C=(A+B)	D	E=(C-D)	F=D/C	
Revenue							
<u>REVENUE</u>							
<u>AIA (a)</u>							
Fees for Services Rendered-Students	205,878,464	(40,100,000)	165,778,464	183,683,007	(17,904,543)	111%	i
IGU's (Catering, Farm, Clinic)	15,000,000	(1,900,000)	13,100,000	15,117,916	(2,017,916)	115%	i
	220,878,464	(42,000,000)	178,878,464	198,800,923	(19,922,459)		
<u>G.O.K Grants & subsidy (b)</u>							
Recurrent Capitation	364,854,060	0	364,854,060	334,449,555	30,404,505	92%	ii
Total	364,854,060	0	364,854,060	334,449,555	30,404,505		
<u>Other Revenues (d)</u>							
CEMEREM Project funds	31,689,275	5,403,819	37,093,094	37,093,094	0	100%	iii
ABS -CIAT	4,550,000	0	4,550,000	3,749,474	800,526	82%	iv
AL&ML	1,600,000	0	1,600,000	978,618	621,382	61%	v
UPLIFT-AG	0	3,707,165	3,707,165	3,707,165	0	100%	vi
Total	37,839,275	9,110,984	46,950,259	45,528,352	1,421,908		
Total Recurrent Revenue	623,571,799	(32,889,016)	590,682,783	578,778,830	11,903,954		
Development Revenue							
Development	30,000,000	0	30,000,000	7,500,000	22,500,000	25%	vii
Development Funds b/f	12,987,583	0	12,987,583	12,987,583	0	100%	viii
Total	42,987,583	0	42,987,583	20,487,583	22,500,000		
Total Revenue	666,559,382	(32,889,016)	633,670,366	599,266,413	34,403,954		
EXPENSES							
Use of Goods and Services	171,804,958	3,092,895	174,897,853	121,487,893	53,409,960	69%	ix
Employee Costs	424,040,377	(38,787,510)	385,252,867	427,422,675	(42,169,808)	111%	x
Remuneration of Directors/Council	11,321,046	355,000	11,676,046	11,945,346	(269,300)	102%	xi
Repair and Maintenance	4,176,397	(532,000)	3,644,397	2,433,892	1,210,506	67%	ix

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

Finance Costs	729,021	2,100,000	2,829,021	6,898,448	(4,069,427)	244%	xiii
Payment of Pending Bills	11,500,000	882,599	12,382,599	15,524,284	(3,141,685)	125%	xiii
Total Recurrent Expenditure	623,571,799	(32,889,016)	590,682,783	585,712,537	4,970,246		
Surplus/(Deficit for the period)	0	0	0	(6,933,708)	6,933,708		
Capital Expenditure							
Purchase of Software-ERP	900,000	0	900,000	511,995	388,005	57%	xiv
Construction of Admin/Classroom- NGERENYI SAEES	5,000,000	0	5,000,000	0	5,000,000	0%	xiv
Construction of Admin/Classroom- MAIN ADMN BLOCK	14,000,000	0	14,000,000	6,126,077	7,873,923	44%	xiv
Completion of Geomology center Phase II	2,000,000	0	2,000,000		2,000,000	0%	xiv
Design and Equipping Mines Labs	17,987,583	0	17,987,583	17,987,583	0	100%	xiv
Water Treatment Plant	1,500,000	0			1,500,000	0%	xiv
Construction of Admn/Classroom - TAVETA	2,500,000	0	2,500,000		2,500,000	0%	xiv
Isangawishi Land Processing & Project	750,000	0	750,000		750,000	0%	xiv
Total Expenditure	44,637,583	0	43,137,583	24,625,655	20,011,928	57%	

Budget notes

- I. Commentaries on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
 - i. The University recorded an over collection as compared with the final budgeted revenues as a result of reduction of its Appropriation In Aid (AIA) allocation in the approved Budget Supplementary II communicated to the University through the Principal Secretary, Ministry of Education, State Department of Higher Education and Research on 24th June, 2024.
 - ii. The University had been allocated a total of KES. 364,854,060 in the financial year 2023/2024 but only received KES. 334,449,560 as at 30th June, 2024 resulting to under-utilization of 8%, i.e KES. 30,404,525.
 - iii. The University continue to get support from donors and other development partners and in the year under review the budgeted amount of KES.37,093,094 for CEMEREM Project was received in full hence realization of 100% utilization.
 - iv. The University, through donor support, is implementing a Project named (ABS-CIAT) domiciled in the School of Agriculture & Earth Sciences aimed at promotion of appropriate Climate-Smart Crop Innovations in Taita Taveta County through farmer field schools in partnership with other stakeholders including County Government of Taita Taveta Department of Agriculture and KALRO. In the year under review the University received a total of KES.3,749,474 out of the projected KES.4,550,000 hence realizing a utilization of 82%.

- v. The University projected to receive a total of KES.1,600,000 for TAITA GIS project that support projects in Artificial Intelligence and Machine Learning but only realized KES.978,618 leading to a utilization of 61%.
- vi. TTU in the current FY.2023/2024 saw an introduction of a new donor funded project named UPLIFT-AG domiciled in the School of Agriculture and is geared towards Universities Promoting Linkages for Impactful Training, Innovation and Technology Transfer (**UPLIFT**) in Agriculture (**UPLIFT-AG**). The received the total projected revenue of KES. 3,707,165, i.e 100%.
- vii. In the FY.2023/2024, the University was allocated KE.30,000,000 for development but only received KES.7,500,000 leading to a utilization of only 25%.
- viii. In the previous FY.2022/2023, the University had been allocated KES. KES.35,487,583 for development but received only KES.22,500,000 leaving a balance of KE.12,987,583 which was received 04/07/2023 and subsequently re-budgeted for in the current FY.2023/2024. The whole amount was utilized to settle some project cost certificates for Mines Centre phase III.
- ix. Due to limited financial resources the University continued with austerity measures hence the amount budgeted for use of goods and services and repairs and maintenance during the period under review only realized a utilization of 70% and 67% respectively.
- x. In the FY.2023/2024 the University incurred a total of KES.463,113,667 as total employee costs for permanent, contract and casuals staff . As at 30th June, 2024 the University was able to pay a total of KES.427,422,635 only against the revised personnel costs budget of KES.385,252,867 hence leading to over-utilization of 111%. The salary payments were also supported by the existing overdraft facility at KCB capped at a maximum of KES.50,000,000. The budget was revised downwards following the reduction of the University's AIA allocation by the National Treasury in the approved Budget Supplementary No.II of 2024.
- xi. Due to increased consultative forums convened by the Executive Office of the President and the parent Ministry of Education the University Council incurred a total expenditure of KES.11,945,346 against the projected budget of KES.11,676,046 hence realizing a utilization of 102%.
- xii. The University continues to rely on KCB Overdraft facility to support its key operations and in the year under review it incurred a total of KES.7,087,289 on debit interests against the earlier projected KES.2,829,021 hence realizing an over utilization at 244%.
- xiii. The University continues to prioritize on settlement of pending bills despite the financial challenges and in the year under review it settled pending bills totalling KES.15,524,284 against an allocation of KES.12,382,599 resulting to an over-utilization of 125%.
- xiv. The University University incurred an average of 57% on expenditure on capital projects due to non receipt of the budgeted development funds from the Ministry of Education, State Department for Higher Education & Research. However, the amounts brought forward were all utilized.

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

2. Explanation of changes between original and final budget indicating whether the difference is due to reallocations or other factors, (IPSAS 24.29). In the year under review the changes are due to budget virement undertaken as at 30th June, 2024.
3. A reconciliation of Deficit as per the statement of financial performance to statement of Comparison of budget and actual amounts.

Description	Amount Kshs.
Deficit as per statement of Financial performance	(52,970,808)
Add: Depreciation	42,374,445
Add: Accrued Employee cost	44,795,826
Add: Accrued Use of goods and services cost	32,076,883
Add: Loss on foreign exchange transactions	19,219
Add: Increase in provision for Doubtful debt	795,558
Less: Current student debtors	(58,500,547)
Less: Pending bills	(15,524,284)
Surplus as per statement of Comparison of Budget and actual amounts	(6,933,708)

19. Notes to the Financial Statements

1. General Information

Taita Taveta University is established by and derives its authority and accountability from University Act 2012. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. Taita Taveta Universities' principal activity is teaching, research and community outreach.

Taita Taveta University was initially established as a Campus of JKUAT in 2008, became a Constituent College of Jomo Kenyatta University of Agriculture and Technology via Legal Notice Number 156 of 18th October, 2011, and was elevated to a fully-fledged University through award of the Taita Taveta University Charter on **7th October, 2016**.

2. Statement of Compliance and Basis of Preparation

Taita Taveta University 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 Taita Taveta University accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Taita Taveta University.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

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

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact:
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 cash flows 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> <p><i>In the Year under review, this standard is not applicable to Taita Taveta University.</i></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> <p><i>In the Year under review, this standard is not applicable to Taita Taveta University.</i></p>
IPSAS 45-Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an</p>

Standard	Effective date and impact:
	<p>additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>In the Year under review, this standard is not applicable to Taita Taveta University.</i></p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>In the Year under review, this standard is not applicable to Taita Taveta University.</i></p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>In the Year under review, this standard is not applicable to Taita Taveta University.</i></p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for</p>

Taita Taveta University

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Notes to the Financial Statements continued....

Standard	Effective date and impact:
	such transfers. <i>In the Year under review, this standard is not applicable to Taita Taveta University.</i>
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>In the Year under review, this standard is not applicable to Taita Taveta University.</i>

iii. Early adoption of standards

Taita Taveta University has not early – adopted any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

Taita Taveta University recognizes revenues from fees, sales and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably

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 Taita Taveta University 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

Taita Taveta University 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 by Taita Taveta University 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 University.

Rental income

Taita Taveta University recognizes rental income arising from operating leases on the University properties and accounts for it on a straight-line basis over the lease terms and included in revenue on accrual basis.

b) Budget information

Taita Taveta University's original budget for FY 2023-2024 was approved by the National Assembly on July 2022. Subsequent revisions due to Supplementary Budget No.II as communicated to the University through Principal Secretary, Ministry of Education, State Department of Higher Education and Research 24th June, 2024 respectively were made to the approved budget in accordance with specific approvals from the National Treasury, Ministry of Education and the TTU Council.

Taita Taveta University'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 section 18 of these financial statements.

c) Taxes

Taita Taveta University withholds all taxes due to the government from chargeable service providers, suppliers and employees and remits it to the Kenya Revenue Authority as per the statutory guidelines.

d) Property, plant and equipment

Taita Taveta University's 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 University 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.

e) Intangible assets

Intangible assets acquired by Taita Taveta University 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 done at a rate of 25% on a reducing balance method as per the Taita Taveta University Finance and Accounting Manual 2021.

f) Financial instruments

a) Financial assets

Trade and other receivables

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

b) Financial liabilities

Taita Taveta University recognizes and measures interest bearing 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.

g) Inventories

Taita Taveta University measures Inventory 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.

h) Provisions

Taita Taveta University recognizes provisions when the University has a present obligation (legal or constructive) as a result of a past event if 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 University 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.

i) Contingent liabilities

The University 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.

j) Contingent assets

The University 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.

k) Nature and purpose of reserves

Taita Taveta University maintains reserves in terms of specific requirements. The University maintains the following Reserves; capital development replacement reserve that accumulates all development funds received from the MOE for projects, Accumulated/Retained Earnings Reserve fund that accumulates all surplus or deficit for the University and Revaluation Reserve fund that caters for any revaluation gain or loss.

l) Changes in accounting policies and estimates

Taita Taveta University 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

Taita Taveta University provides retirement benefits for its employees. The University has a Defined contribution plans where the employee and employers contribute to the retirement of the employee on a monthly basis. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. The plan is in such a manner that permanent and pensionable employees contributes 10% of their basic salary and the University contributes 20% to the fund on a monthly basis. Employees on contract terms receive a gratuity at the end of the contract period at a rate of 31% of total gross basic salary for the contract period. In addition, the University Remits Employee and employer NSSF contributions for all employees. The pension funds are managed by a board of trustees.

n) Foreign currency transactions

Taita Taveta University accounts for transactions in foreign currencies at the ruling rate of exchange on the date of the transaction. Payment of KENET and receipt of cash and some payment of funds to foreign countries for CEMEREM project are treated as such. 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) Related parties

Taita Taveta University 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 her, or vice versa. Members of key management are regarded as related parties and comprise the Council Members, the Vice chancellor, the Deputy Vice Chancellors, Director (Administration, Planning and development), Registrar (Academic, research and outreach), Director (Finance) and the Head of procurement.

p) 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 various commercial banks at the end of the financial year. For the purposes of these financial statements for Taita Taveta University, cash and cash equivalents also include short term cash imprests and advances to authorised University officers which were not surrendered or accounted for at the end of the financial year.

q) Comparative figures

Where necessary, Taita Taveta University amends or reconfigures comparative figures for the previous financial year to conform to the required changes in presentation.

r) Subsequent events

Taita Taveta University do not have events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of Taita Taveta University 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 outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Taita Taveta University estimates the provision for doubtful debts to be at 5% of debtors amounts and depreciates its assets based on reducing balance method at the following rates;

Land	0%
Buildings	2%
Motor vehicles	25%

Taita Taveta University

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Notes to the Financial Statements continued....

Furniture & fittings	12.5%
Computers	25%
Plant, Machinery & Equipment	10%

Taita Taveta University has a policy on provision for doubtful debts. The University applied the policy in raising provisions and are disclosed in Note 18. Taita Taveta University gives provision of bad debts at 5% of its debtors at a particular time

6. Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total transfers 2023/2024	Prior year (2022/2023)
	KShs	KShs	KShs	KShs	KShs
State department for University Education	364,854,060	30,404,505	7,500,000	341,949,555	441,606,379
Total	364,854,060	30,404,505	7,500,000	341,949,555	441,606,379
FY.2022/2023					
State department for University Education	406,118,796	12,987,583	35,487,583	441,606,379	545,732,943
Total	406,118,796	12,987,583	35,487,583	441,606,379	545,732,943

The amount recorded above to have been received from the State Department for University Education fully reconciles to the amount recorded by the State Department for University education as per reconciliation at appendix III. By the close of business 30th June, 2024, the University had received KES. 7,500,000 from the National Treasury and Economic Planning for Development Grants. This is against a budget allocation of KES. 30,000,000. The University did not receive any confirmation from the Ministry on whether the balance of KES.22,500,000 for Development capitation will be remitted to the University bank account hence the same was not recognized as receivable due to the uncertainty on its receipt. The deferred income of KES.30,404,505 is in respect to June 2024 which was in transit to TTU bank account as at 30th June, 2024. The amount was subsequently received in our accounts on 1st July, 2024.

7. Donor Funded projects/ Donations

Description	2023-2024	2022/2023
	KES.	KES
CEMEREM	37,093,094	24,809,380
Taita GIS	978,618	508,991
ABS-CIIAT	3,749,474	0
UPLIFT_AG	3,707,165	0
Taita Banana Project	0	1,335,934
Taita Feeds Project	0	1,894,860
Taita Soils Project	0	150,000
Total	45,528,352	28,699,165

8. Income from Rendering of Services

Description	2023/2024	2022/2023
	KES.	KES
Tuition Fees	151,226,260	55,115,600
Residential Fees	7,208,260	6,308,133
ID/Registration Fees	1,393,430	2,247,245
Examination Fees	10,498,838	14,953,437
Medical Fees	6,568,767	9,561,298
Internet Fees	3,970,210	5,632,002
Computer Fees	2,956,679	4,342,812
Library Fees	2,650,389	3,755,888
Field Trip/Attachment	5,470,832	9,815,572
Student Activity Fees	2,388,590	3,569,879
TTUSO	765,400	1,300,700
C.U.E Quality Assurance	1,829,821	2,641,000
Project	98,000	75,000
KUCCPS	13,500	330,750
Retake fees	34,000	69,000
Group personal Insurance cover	1,504,700	2,568,500
Teaching practice	3,355,250	4,545,696
Totals	201,932,926	126,832,512

In the current period under review, the Income from rendering of services increased by KES.75,100,414 as compared to the comparative quarter due to the introduction of the New Funding Model rolled out with the First Year cohort that joined on September, 2023 that saw the full implementation of the Differentiated Unit Cost (DUC) model of costing each Academic Programme. Additionally, the improvement resulted from the introduction of Bachelor of Education Arts and Bachelor of Science Civil Engineering that enabled the University to record increased student numbers as compared with the previous financial year of 2022/2023.

9. Income from other services rendered

Description	2023/2024	2022/2023
	Kshs	Kshs
Application Fees	295,000	199,926
Accommodation Charges	18,600	53,350
Students p.a.y.e.	1,923,642	1,569,117
Staff cafeteria	1,133,879	1,948,071
Shop Rent/Electricity	83,628	73,891
Disposal of Fixed assets	0	0
TTU Hospital Cost Sharing	143,612	198,089
Sale of Tenders	800	0
Miscellaneous Income	121,570	241,710
ID Replacement	88,500	0
Interest Income	812,830	0
Transport charges	0	53,000
Supplementary exam fees	1,325,400	1,137,200
Graduation fees	3,879,803	3,569,300
Training Levy	791,347	942,686
Insurance Compensation	0	3,502,366
Total	10,618,611	13,488,705

The decrease in collection from services rendered by KES.2,870,095 in the year under review as compared to the comparative year is as a result of an insurance compensation of KES.3,502,366 received in the previous financial year and also slightly attributed to low activities during the period May- 30th June, 2024 as all students were either on industrial attachment or teaching practice unlike in the comparative period when some students were on session.

10. Income from other activities

Description	2023/2024	2022/2023
	KES	KES
Bookshop	15,932	89,415
Tailoring/Laundry Unit	2,000	1,000
Guest House	389,200	123,700
Farm Income	227,314	32,771
Facility rental/lease	976,310	643,171
Bakery Unit income	252,570	458,661
IGU External Functions	3,125,130	1,508,685
Donations	83,000	0
Total	5,071,456	2,857,402

University Commenced commercialization of University facilities to generate additional revenue, including University halls and catering services to outside organizations. This saw an increased revenue of KES.2,214,053 in the year under review as compared to the previous year and is mostly attributed to increased workshops and conferences held by external stakeholders at the University premises.

11. Employee Costs

Description	2023/2024	2022/2023
	KES	KES
Staff Salary	392,244,245.29	379,113,460
Casual Wages	9,460,932.02	8,749,577
Gratuity	8,494,535.29	7,025,297
Pension Contribution	45,741,977.00	42,063,806
Internship Allowance	131,966.00	0
Travelling and accommodation	7,040,011	2,980,034
Total	463,113,667	439,932,174

An increase of KES. 23,181,493 in FY 2023/2024 in employee costs is as a result of recruitment of additional academic staff to support the new programme of Bachelor of Education Arts and salary increments usually implemented in the months of July and January depending on the Month a staff was recruited.

12. Maintenance Costs

Description	2023/2024	2022/2023
	KES.	KES
Maintenance of plant/mach/equip	713,550	1,507,666
Repair & Maintenance of Furniture	404,550	17,500
Maintenance of buildings	257,639	296,626
Maintenance of water/sewerage	85,450	116,706
Maintenance of Roads/Grounds	378,003	104,100
Maintenance of Ngerenyi Campus	594,700	15,000
Total	2,433,892	2,057,598

The expenditure on repairs and maintenance increased by KES.376,294 as a result of maintenance works undertaken on the facilities at School of Agriculture & Earth Sciences, Ngerenyi in readiness for students resuming classes at the facility after they had been relocated to the Main Campus during COVID 19 period.

13. Use of goods and services

Description	2023/2024	2022/2023
	Kshs.	Kshs
Cleaning Materials	644,116	164,087
Uniforms/ Clothing's	0	11,200
Stationery	2,784,615	4,287,670
Medical Exp. In-Patient/Out-Patience	1,067,978	1,142,016
Medical Exp. Referral Hospital Bills	7,858,983	8,266,526
Medical Drugs and stores	717,321	698,806
IGU Investment (Seed Money)	1,334,763	120,000
Food stuffs for patients-Hospital	0	0
External travelling	323,475	266,750
KUCCPS	154,600	927,900
Telephone Expenses	22,902	21,800
Postal & telegrams expenses	77,980	68,301
Chancellor's Honoraria & Other Expenses	1,050,404	0
Official entertainment	73,923	230,321
Conference & seminars	676,000	292,500
Public celebrations/funerals	392,960	175,000
Publishing & printing	187,130	214,560
Advertising & Publicity	790,874	1,053,116
Legal fees	1,020,800	596,373
ISO Expenses	0	67,200
Rent and Rates	0	10,567
Contracted professional services	448,970	1,532,566
Hire of transport & machinery	418,783	294,380
Motor vehicle insurance	247,504	127,314
General Insurance	6,553,198	7,524,444
Audit fees	635,680	1,867,733
Bank Charges	2,445,700	1,553,233
Fees, Coms And Out of Pocket	60,715	164,000
Staff Training expenses	458,300	382,916
VC's award/Finalist party expense	70,780	18,000
Purchase of Workshop and Lab equipment	0	1,561,292
Graduation expenses	5,875,851	1,350,272
Examination Expenses	1,348,520	1,398,100
Service Delivery and Customer satisfaction	38,065	64,120
Part Time Teaching	19,663,200	24,989,800
Work Study	66,770	15,940

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Notes to the Financial Statements continued....

Subscription to Professional Bodies	204,400	128,800
Contingence& Disaster Mgt	111,152	0
Research Expenses	368,200	0
Internet Connectivity	7,961,488	7,582,333
Computer Accessories & Software	122,043	309,787
Electricity expenses	5,408,315	4,956,498
Water expenses	2,296,422	3,397,272
Gas and Cooking fuel	689,720	39,000
Fuel for Generator	475,836	290,776
Food and rations	9,406,095	8,578,603
Transport Operating expenses	3,696,679	2,941,692
Library Expenses	1,362,278	1,226,236
Isangaiwishi Expenses	210,500	0
Farm works expenses	417,090	215,440
Animal Expenses	10,000	10,000
Strategic Plan Expenses	46,000	241,800
Final accounts & Budget committee	80,000	90,000
Perfomance contract Expenses	60,000	22,900
New programmes implementation	966,400	395,900
Cemerem Project	36,612,458	23,531,540
Tender Evaluation Committee Expenses	64,000	305,800
Quality Assurance commission for University Education	2,784,750	2,661,560
Academic Trips	3,713,412	
Purchase of Teaching/Production Materials	1,405,678	483,066
Field Attachment Expenses	7,617,064	7,917,356
Crockery and utensils	0	0
Disability Mainstream Expenses	0	0
Drug and Substance Abuse Expenses	0	603,818
Gender Mainstreaming Expense	0	28,000
Academic Quality Assurance	0	84,000
Prevention of HIV and Aids Expenses	0	17,500
TaitaRice Project	0	1,214,940
Disposal committee	0	34,000
National Cohesion & Integration Commission	0	0
TTU Alumni Association expenses	0	33,000
TaitaGis	0	649,000
Staff recognition award scheme	0	44,000
Sust ASM Project	0	0
Taita Banana- KALRO	0	786,645
Taita Feeds - KALRO	0	929,760

Taita Pastures - KALRO	0	546,460
Taita Soils - KALRO	0	150,000
ABS-CIIAT	4,133,190	0
Artificial Learning-Machine Learning	254,400	0
UPLIFT-AG Project	350,000	0
COVID 19 Expenses	0	20,000
Corporate social responsibility	266,000	367,400
Teaching materials	315,521	46,400
Internal attachment school of mining	48,500	278,143
Purchase of gowns	0	12,600
National and Institutional Celebrations	103,650	0
Endowment fund	0	348,838
Sports and Games	962,299	899,045
SATTU	2,214,148	1,976,286
Dean of students office expenses	64,400	59,400
DSTV Subscription	383,100	490,400
Students guidance and counselling	170,000	0
Student's Elections, Induction and Remunerations	529,589	0
Total	153,395,637	136,404,797

The expenditure on use of goods and services in the year under review increased by KES.16,990,840 as compared with the comparative period owing to increased expenditures under CEMEREM Project and also expenditures incurred on new donor funded projects of ABS-CIIAT and UPLIFT-AG.

14. Council Activities

Description	2023/2024	2022/2023
	KES	KES
Allowance/Honoraria	10,109,996	8,466,533
Council Training	700,000	425,600
Council Chair Honoraria/Other Expenses	1,135,350	1,023,700
Total	11,945,346	9,915,833

The Council expenditure has an increase of KES.2,029,513 in the year under review as compared to the comparative year as a result of increased consultative forums called by the Executive Office of the President and the parent Ministry of Education especially on the new Government reforms on use of E-CITIZEN, New Funding Model and Guidelines on Management of State Corporations and Public Entities on which the council were being represented. Additionally, there was

appointment of two new Council members during the year under review and they were facilitated to undertake an induction on their mandates.

15. Finance Costs

Description	2023/2024	2022/2023
	KES	KES
Interest on Bank Overdraft	6,898,448	7,047,605
Total	6,898,448	7,047,605

The University continued to meet some operational costs through use of bank overdraft facility with Kenya Commercial Bank Ltd, whenever urgent need arises, as a result of little capitation from the Government of Kenya hence reduced revenue to meet all the University financial obligations.

16. Depreciation and Amortization expense

Description	2023/2024	2022/2023
	KES	KES
PPE Depreciation Attributable to P& L A/C	42,321,926	43,802,415*
Intangible assets	52,519	8,871
Total Depreciation Attributable to P& L Account	42,374,445	43,811,286
Depreciation attributable to Revaluation reserve-PPE	14,094,963	11,089,761*
Depreciation attributable to Revaluation reserve-Intangible Asset	259,688	0
Total Depreciation and Amortization	56,729,096	54,901,047*

*Restated, please see note 37.

Depreciation and amortization cost increased by KES. 1,828,050 in FY.2023/2024 as compared to the previous year due a revaluation which was conducted towards the end of last financial year on which some class of assets, i.e Motor vehicles, Furnitute and fittings and Plant, Machinery & Equipment gained in value.

17. Cash and Cash Equivalents

Description	2023/2024	2022/2023
	KShs	Kshs
Current account	16,059,221	7,662,268
On-Call Deposits	11,700,000	10,898,940
Total cash and cash equivalents	27,759,221	18,561,208

17.a Detailed Analysis of the Cash and Cash Equivalents

Financial institution	Account number	2023/2024	2022/2023
a) Current account		KShs	Kshs
Kenya Commercial Bank - Student Fees Account	1136119140	4,158,916	709,017*
Kenya Commercial Bank - Catering Account	1136118993	838,268	368,401
Kenya Commercial Bank - Schedule Account	1151267538	4,082,676	304,959
Kenya Commercial Bank - Salary Account	1139946110	18,598	52,356
Kenya Commercial Bank - Cemerem Project Account	1181962455	6,108,006	5,509,108*
Kenya Commercial Bank - TAITAGIS Account	1211933903	51,878	409,404
Equity Bank Ltd-Equity fees account	0790299712769	800,878	309,023
Sub total		16,059,221	7,662,268 *
b) On - call deposits			
Equity Bank Ltd-Taita Taveta University Call account	0790384205158	11,700,000	10,898,940
Sub total		11,700,000	10,898,940
Grand Total		27,759,221	18,561,208 *

*Restated, See Note 37.

In the year under review, the University balances increased by KES.9,198,013 and is attributable to increased donor funding received during the financial year 2023/2024 and increased interest earned in the funds kept at a Call account held at Equity bank.

18. Receivables from Exchange Transactions

Description	2023-2024	2022/2023
	KShs	Kshs
Current receivables		
Student fees balance	57,489,734	41,744,857*
E-CITIZEN REVENUE un-remitted as at 30/06/2024	1,988,070	0
Staff Advances (Outstanding Imprests)	821,134	470,450*
Tuck Shops rent & electricity	530,469	364,182
Other Debtors:(Tavevo & Alumni)	572,150	0
Total	61,401,557	42579489
Less: impairment allowance	(2,901,010)	(2,105,452)
Total (a)	58,500,547	40,474,037

*Restated, See Note 37

In the year under review, Receivables from Exchange transactions increased by KES.18,026,510 as compared with the comparative period due to the introduction of the New Funding Model on which students are funded through Scholarships, Tuition Loan and Household contributions. As at 30th June, 2024 the University Fund and HELB were yet to release Scholarship for some students who were still under verification and also some parents had not cleared their household component. Additionally, the staff outstanding imprests were in respect to TTU Academic Staff who were in the field undertaking student attachment supervision in various parts of the Country as students usually undertake their attachments during the long holiday of May to August each year.

18 (a) Ageing analysis for Receivables from exchange transactions

Description	FY.2023/2024		FY.2022/2023	
	Kshs	% of the Total	Comparative FY	% of the Total
Less than 1 year	32,996,222.00	56%	1,137,368.41	2.8%
Between 1- 2 years	6,412,768.40	11%	6,699,254.14	16.6%
Between 2-3 years	6,861,429.87	12%	14,912,283.48	36.8%
Over 3 years	12,269,626.65	21%	17,725,130.75	43.8%
Total	58,540,046.92	100%	40,474,036.77	100.0%

18 (b) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment Allowance/ Provision	2023/2024	2022/2023
Description	KShs	Kshs
At the beginning of the year	2,105,452	2,000,883
Additional provisions during the year	0	0
Additions/Recovered during the year	795,558	104,569
At the end of the year	2,901,010	2,105,452

The TTU Finance and Accounting Manual 2021 provides for 5% on uncollectable debts. This explains the amounts of impairment allowances for receivables. The provision for impairment allowance on Receivable from Exchange Transactions increased by KES.795,558 owing to increased debtors resulting from delayed remittance of Scholarship funds and outstanding balances for Household component.

19. Receivables from Non Exchange Transactions

Description	2023/2024	2022/2023
	KES	KES
Recurrent grants	30,404,505	0
Development grants	0	12,987,583
Totals	30,404,505	12,987,583

As at 30th June, 2024, the University had not received KES. 30,404,505 from the Ministry of Education for June 2024 Recurrent Grants and it was on transit and the same has been accordingly reported as Receivables in the Financial Statements as per IPSAS 23 Section 35.

19 (a) Ageing Analysis- Receivables from non- exchange transactions

Description	FY.2023/2024		FY.2022/2023	
	KES	% of the Total	KES	% of the Total
Less than 1 year	30,404,505.42	100.0%	12,987,583.00	100.0%
Between 1- 2 years	-	0.0%	-	0.0%
Between 2-3 years	-	0.0%	-	0.0%
Over 3 years	-	0.0%	-	0.0%
Total	30,404,505.42	100.0%	12,987,583.00	100.0%

20. Prepayments

Description	2023/2024	2022/2023
	KES	KES
Utility Motor Vehicle	1,900,000	0
Small Gemstone Lab Equipment	1,413,378	0
Total	3,313,378	0

The University Management in the year under review initiated the procurement of an additional utility vehicle to replace the old fleet purchased in the year 2013. The University utilized the existing Asset Based Financing with Kenya Commercial Bank on which the University pays 10% of the cost of the vehicle in advance then KCB clears the balance of 90%. Once the vehicle is delivered, the facility will be repaid over instalments spread for a period of 5 years. Additionally, in the year under review the University through CEMEREM project procured a portable Small Gemstone Lab Equipment to be utilized by the Mining and Mineral Processing students to analyse and classify various minerals. The University paid a deposit of KES.1,413,378 supported by a 3 Month bank guarantee from the supplier as security for the advance payment made. The Equipment will be delivered and put into use by 30th September, 2024.

21. Inventories

Description	2023/2024	2022/2023
	KES	KES
Stationary Store	1,528,157	584,430
Catering Store	836,425	151,190
Maintenance Store	1,422,338	1,557,261
Drug Store	106,935	467,796
MMPE Workshop	336,100	610,949
Examinations Store	875,674	1,647,177
Transport store	432,000	382,000
Sports store	997,226	952,356
Total	6,534,855	6,353,159

22. Biological Assets

Description	2023/2024	2022/2023
	KES	KES
Dairy Cows	1118000	1,220,000
Rabbits	25,500	3,900
Poultry	0	42,500
Crops	402,000	0
Total	1,545,500	1,266,400

The Biological Assets were measured at their fair values using the ruling market prices and considering their location and condition as at the reporting date as per IPSAS 27, section 14, 16 & 19.

The increase in fair value was as a result of growing and maintenance of various crops, including Macadamia, avocado, kales, bean, bananas, tomatoes and cabbages at Ngerenyi facility during the year under review.

The decrease in value for Dairy Cows is as a result of aging of most cows being kept at the farm.

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Notes to the Financial Statements continued.....

23. Property, Plant & Equipment

Item	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and Equipment	Capital Work In Progress	Total
<i>Depreciation Rates</i>	0.0%	2.0%	25.0%	12.5%	25.0%	10.0%	0.0%	
Cost (KES)								
<u>Cost FY 2021/2022</u>								
As at 01-07-2021	1,025,000,000	1,799,250,475	36,743,633	32,687,717	85,349,464	13,956,156	616,717,531	3,609,704,977
Cost attributed to revaluation as at 01-07-2021	40,000,000	755,292,029	0	333,559	0	561,652	0	796,187,240
Disposals	0	0	(729,010)	0	0	0	0	(729,010)
Additions	0	0	0	217,150	1,321,925	647,671	108,696,750	110,883,496
Total Cost as at 30-6-2022	1,065,000,000	2,554,542,504	36,014,623	33,238,426	86,671,389	15,165,479	725,414,281	4,516,046,703
As at 01-07-2022	1,025,000,000	1,799,250,475	36,014,623	32,904,867	86,671,389	14,603,827	725,414,281	3,719,859,463
Cost attributed to revaluation as at 30-6-2023	40,000,000	755,292,029	0	333,559	0	561,652	0	796,187,240
Cost adjustment							(38,371,622)	(38,371,622)
Revaluation adjustment								
Derecognized Assets			(2,082,241)					(2,082,241)
Additions for the year 2022-2023	43,400,000	122,618,000		668,627	3,451,601	1,190,095	22,452,236	193,780,559
Capitalized Work-in-Progress (Note 22a and 22 b)		187,339,002				19,081,308	(206,420,310)	0
Cost as at 30-06-2023	1,108,400,000	2,864,499,506	33,932,382	33,907,053	90,122,990	35,436,882	503,074,585	4,669,373,398
Cost As at 01-07-2023	1,068,400,000	2,109,207,477	33,932,382	33,573,494	90,122,990	34,875,230	503,074,585	3,873,186,158
Revaluation As at 01-07-2023	40,000,000	755,292,029	0	333,559	0	561,652	0	796,187,240
Revaluation Adjustment 01-07/2023	51,600,000	(927,089,436)	16,124,182	16,142,449	14,964,143	42,784,781	0	(785,473,880)
Additions for the year 2023-2024		612,900		635,500	403,077	894,710	18,523,384	21,069,571

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Notes to the Financial Statements continued.....

Cost as at 30-06-2024	1,160,000,000	1,938,022,970	50,056,564	50,685,002	105,490,210	79,116,373	521,597,969	3,904,969,089
Depreciation & Impairment								
Accumulated Depreciation for cost at 01-07-2021	0	219,412,674	36,479,098	20,244,199	80,080,606	3,281,266	0	359,497,842
Accumulated Depreciation for Revalued Costs as at 01-07-2021	0	191,022,090	0	163,344	0	434,403	0	191,619,837
Depreciation on Disposed Assets	0	0	(599,262)	0	0	0	0	(599,262)
Charge for the Year 2021/2022	0	31,596,756	33,697	1,582,583	1,647,696	1,132,256	0	35,992,988
Charge Attributable to Revalued Assets as at 30-06-2022	0	11,285,399	0	21,277	0	12,725	0	11,319,401
Derecognized Assets Accumulated depreciation			(2,082,241)					(2,082,241)
Charge for the year ended 30-06-2023	0	37,163,961	25,273	1,468,339	2,098,672	3,046,171	0	43,802,415
Charge Attributable to Revalued Assets as at 30-06-2023	0	11,059,691	0	18,617	0	11,452	0	11,089,761
Charge for the year ended 30-06-2024	0	36,432,940	18,954	1,364,234	1,674,773	2,831,025	0	42,321,926
Charge Attributable to Revalued Assets as at 30-06-2024	0	0	4,031,046	2,034,096	3,741,036	4,288,785	0	14,094,963
Total Depreciation As at 30-6-2023	0	537,973,510	37,906,564	26,896,690	89,242,783	15,038,083	0	707,057,630
Net Book Amount								
As at 30-06-2022	1,065,000,000	2,101,225,585	101,091	11,227,023	4,943,087	10,304,829	725,414,281	3,918,215,897
As at 30-06-2023	1,160,000,000	1,435,869,500	16,200,000	26,551,143	21,260,159	70,303,390	503,074,585	3,233,258,778
As at 30-06-2024	1,160,000,000	1,400,049,460	12,150,000	23,788,312	16,247,427	64,078,290	521,597,969	3,197,911,459

-The amounts for work in progress has been retained at the current certified amounts as at 30th June, 2024; the buildings under construction were ongoing and had not been handed over by the contractor.

-In the year under review, the University received a Title Deed LR No. BURA/ISANGAIWISHI SCHEME/20 for a parcel of land measuring approximately 404.7 Ha donated by Isanga Iwishi Community and the same has been recorded in the University Asset Register as the University plans to undertake official Valuation.

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Notes to the Financial Statements continued.....

(i) Work in Progress Schedule

Details	Balance B/F 2016/2017	Additions 2017/2018	Additions 2018/2019	Additions 2019/2020	Additions 2020/2021	Additions 2021/2022	Additions 2022/2023	Additions 2023/2024	TOTAL
		KES	KES	KES	KES				KES
Construction of Water tank	14,981,210.00	2,049,840	1,245,107	1,432,293	0	0	-		19,708,450
Capitalization to plant and Equipment	(14,981,210.00)	(2,049,840)	(1,245,107)	(1,432,293)					-19,708,450
Construction of Water Treatment Plant-Main Campus	19,060,508.00		20,800	0	0	0	-		19,081,308
Capitalization to plant and Equipment	(19,060,508.00)		(20,800)						-19,081,308
Construction of Water Treatment Plant-School of Agriculture	663,274.00	0	0	0	0	0	-		663,274
Adjustment	(663,274.00)								-663,274
Construction of Mines, Fuels & Mineral Processing Centre-Phase I	144,854,649.00	5,499,450	1,735,402	4,217,325	0	0	-		156,306,826
Capitalization to buildings	(144,854,649.00)	(5,499,450)	(1,735,402)	(4,217,325)					-156,306,826
Construction of Mines, Fuels & Mineral Processing Centre-Phase II	48,375,486.00	27,416,026	18,729,385	13,874,480	2,046,088	7,558,891	-		118,000,356
Adjustments	(4,923,998.00)	(1,394,340)	(6,125,435)	(1,916,000)					-14,359,773
Fencing of Taveta Land	10,577,021.00	6,159,355	0	0	0	0	-		16,736,376
Adjustments	(1,542,593.00)	(4,616,661)							-6,159,254
Capitalization to buildings	(9,034,428.00)	(1,542,694)							-10,577,122
Construction of Incinerators	746,604.00	0	0	0	0	0	-		746,604
Capitalization to plant and Equipment	(746,604.00)								-746,604
Construction of water treatment plant and Dairy shed Ngerenyi Centre	-	2,343,055	0	0	0	0	-		2,343,055
Proposed Construction of 2 No. Classroom block phase 1	3,840,847.00								3,840,847
Construction of Admin block main campus	-	27,051,415	70,739,365	57,508,159	42,705,126	69,436,723	1,613,852	6,806,752	275,861,392
Adjustments	-	(16,470,122)	3,669,827		-4,389,026				-17,189,321

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Construction of Admin block Taveta campus	-	9,226,716	24,074,987	24,769,180	8,801,775	5,306,454	3,994,270		76,173,382
Isanga Iwishi Land	-	115,276	3,227,077	173,143			300,000		3,815,496
Construction of Mines, Fuels & Mineral Processing Centre-Phase III	-				18,457,107	26,394,682	16,544,114	11,716,632	73,112,535
TOTAL		48,288,026	114,315,206	94,408,962	67,621,070	108,696,750	22,452,236	18,523,384	521,597,969

Most of the projects have been ongoing for a long duration owing to little budgetary allocation for Development projects by the Government of Kenya through Ministry of Education. In the year under review only KES.30,000,000 was allocated and only KES.7,500,000 released to the University.

24. Intangible Assets – Software

Description	2023/2024	2022/2023
	KES	KES
Balance b/d-Cost	26,612	35,483
GEOVIA SURPAC SOFTWARE	183,464	0
Balance b/d-Revaluation	1,038,753	0
Amortization-Cost	(52,519)	8,871
Amortization-Revaluation	(259,688)	0
Balance c/d	936,622	26,612
Add: Work In Progress (ERP Version 16)	17,580,102	17,580,102
Add: Work In Progress (ERP Version 17)	1,070,535	1,070,535
Total Net Book Value	19,587,259	18,677,249

In the year under review the University through CEMEREM Project purchased **Geovia Surpac Software** of KES 149,500 to support in Research and Training of Mining and Mineral Processing Engineering Students on 3D mine planning and geological modelling for advanced mines-data management and statistical analysis. The University also through CEMEREM Project procured a Word Fence software of KES. 33,964 for the protection of CEMEREM Website.

25. Trade and other Payable from Exchange transaction

Description	2023/2024	2022/2023
	KES	KES
Sundry creditors	28,845,247	29,307,039
JKUAT Arrears	4,016,012	4,015,012
TUM Arrears	3,537,503	3,537,503
Hospital Bills	6,937,258	8,219,995
Part-time lecturers	116,334,328	92,943,719
Retention for WIP	51,779,945	41,917,783
Audit fees	3,638,720	3,090,720
Totals	215,089,013	183,031,771

The Trade Payables and other payables from exchange transactions increased by KES.32,057,243 as compared with the comparative period owing to the increased Part Time teaching costs especially for the Semesters, September- December, 2023 and January – April, 2024 when cohorts 2018 and cohort 2019 were all clearing their 4th year of study. The increase was also contributed by increase in retention money for ongoing projects under construction.

The University has worked on reducing the pending bills with time. The University has and continues to experience cash flow and budgetary constraints as a result of reduced little capitation from Government of Kenya, through Ministry of Education. The University Management is committed to meeting all pending obligations over time through agreed payment plans with various stakeholders including Part Time Lecturers.

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Notes to the Financial Statements continued....

25 (a) Ageing analysis, Trade and other payables

Description	FY.2023/2024		FY.2022/2023	
	KES	% of the Total	KES	% of the Total
Under 1 year	27,075,013.16	12.6%	21,191,382.33	11.6%
Between 1- 2 years	27,832,265.80	12.9%	15,153,213.57	8.3%
Between 2-3 years	23,442,562.00	10.9%	61,195,639.72	33.4%
Over 3 years	136,739,172.26	63.6%	85,491,534.92	46.7%
Total	215,089,013.22	100.0%	183,031,770.54	100.0%

Most of the payables arise from long outstanding part time teaching costs and ongoing construction projects which have been outstanding for over 3 years. The University has strategized to be paying the debts due on Monthly basis until they are all settled.

26. Bank Overdraft

Description	Account Number	2023/2024	2022/2023
		KES	KES
KCB TTUC Main account	1135369682	45,423,366	29,662,120
Total		45,423,366	29,662,120

The University continues to rely on the KCB overdraft and the increased in bank overdraft by KES.15,761,246 in the year under review as compared with the comparative period resulted from late release of June, 2024 capitation which was cash in transit as at 30th June, 2024.

27. Employee benefit obligation

Description	2023/2024	2022/2023
	KES	KES
Accrued employee gratuity 2022/2023 FY	2,497,233	4,480,669
Accrued employee gratuity 2023/2024 FY	7,604,689	4,645,577
Un-remitted June 2022 Net Salaries	12,522,127	0
Accrued Casual expenses	569,669	0
Pension	36,160,533	15,452,715
Bank Deductions	21,453,148	19,499,948
Welfare deductions	65,200	66,925
Sacco deductions	10,490,036	10,332,291
Union deductions	790,608	763,016
Insurance deductions	140,905	144,317
Helb deduction	31,844	40,869
NSSF deductions	958,692	544,098
NHIF deductions	322,700	344,850
PAYE Deductions	8,864,770	7,746,278
Others (TTU)	101,500	25,000
Total	102,573,654	64,086,553

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Notes to the Financial Statements continued....

The Employee benefit Obligation increased by KES.38,487,101 as a result of non-receipt of June, 2024 capitation by 30th June, 2024 hence gross salary for June 2024 had remained unpaid as at 30th June, 2024 and is also attributed to the little recurrent capitation from the Government of Kenya over the last 4 years.

28. Fees Prepayments

Description	2023/2024	2022/2023
	KES	KES
Fees prepayment	24,924,400.42	24,414,510
Total	24,924,400	24,414,510

The prepayment refers to student fee payments made in advance. Some of the prepayments results from funds received from various stakeholders and donors, including Constituency Development Funds (CDF), County Governments and other sponsors who have been supporting some of the students in fees payment. As at 30th June, 2024, students were on long holiday up to September 2024 and the prepayment will be utilized once they report for their succeeding academic years.

28 (a) Ageing analysis on Fees Prepayments

Description	FY.2023/2024	% of the Total	FY.2022/2023	% of the Total
Under one year	3,536,276.00	14.2%	869,114.00	3.6%
1-2 years	8,872,194.54	35.6%	11,029,466.06	45.2%
2-3 years	3,877,185.24	15.6%	4,420,557.24	18.1%
Over 3 years	8,638,744.64	34.7%	8,095,372.64	33.2%
Total	24,924,400.42	100.0%	24,414,509.94	100.0%

29. Loss on Foreign Exchange Transaction

Description	2022/2023	2022/2023
	KES	KES
Exchange rate loss	19,219	30,337
Total	19,219	30,337

30. Financial Risk Management

Taita Taveta University's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The University's overall risk management programme focuses on unpredictability of changes in the business environment and

Taita Taveta University

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Notes to the Financial Statements continued....

seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The University does not hedge any risks and has in place policies to ensure that credit is minimized. The University's financial risk management objectives and policies are detailed below:

i. Credit risk

Taita Taveta University 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. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the University's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Taita Taveta University'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
As at 30th June 2024				
Receivables from exchange transactions	58,500,547	58,500,547	0	2,901,010
Bank balances	27,759,221	27,759,221	0	0
Total	86,259,768	86,259,768	0	2,901,010
As at 30 June 2023				
Receivables from exchange transactions	40,474,037	40,474,037	0	2,105,452
Bank balances	18,561,208	18,561,208	0	0
Total	59,035,245	59,035,245	0	2,105,452

ii. Working Capital Management (Liquidity Risk)

The University Management has continuously worked towards ensuring high liquidity to the University. In its endeavour to increase the liquidity, the University has been implementing the following strategic measures:

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Notes to the Financial Statements continued....

1. Increasing the number of niche programmes with the expected concurrent increase in the number of students and resultant fees collections. To this end, University Senate approved seventeen new programs and submitted a number of them to the Commission for University Education (CUE), paid for and uploaded on CUE platform for accreditation. Currently, CUE has approved Bachelor of Education (Arts) program and it is uploaded in the KUCCPS portal. The program attracted 192 students in the financial year under review and more is expected in the subsequent FY. 2024/2025. The University has been publicizing the program to the wider population and all efforts are geared towards increasing student numbers for increased revenue and liquidity.

2. Rationalized utilization of human resource capacity through consolidation of job descriptions and redeployments.

3. Commenced commercialization of University facilities to generate additional revenue, including utilizing Ngerenyi farm for production of animal and crop products to generate more incomes. Currently, the Ngerenyi farm is producing broiler chicken for commercial purposes.

4. Enhancement of University consultancy services as well as Research and Development Project Funding.

5. Developed and registered The TTU Endowment Fund. The Fund is expected to mobilize significant external financial resources to support the University's mandate in relation to scholarship awards, research, innovations and community outreach.

6. Effective marketing and positioning of the University as a preferred destination for teaching and learning. To this end, the University staff is working on marketing the University through various radio talk shows, town hall forums and advertisement through social and print media.

7. Mitigated part time teaching costs as one of the major costs drivers by increasing the normal workload for full-time Lecturers from three (3) course units to four (4) units per semester with effect from 1st September 2022.

The University manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The cash inflows are expected improve following the introduction of the New Funding Model (NFM) introduced by the Government of Kenya as from September 2023 intake. The new model implements the total cost of an academic programme through Government Scholarships, Tuition Loan and Household contributions.

The table below represents cash flows payable by TTU as at 30th June, 2024.

Cash Flows payable by TTU as at 30th June, 2024.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	KES	KES	KES	KES
As at 30th June,2024				
Trade payables	393,573	334,190	214,361,251	215,089,014
Bank Overdraft	0	45,423,366	0	45,423,366
Provision for Fees Prepayments	0	24,924,400	0	24,924,400
Employee benefit obligation	23,721,205	38,130,379	40,722,070	102,573,654
Total	24,114,778	108,812,335	255,083,321	388,010,434
As at 30th June,2023				0
Trade payables	1,299,987	280,050	181,451,733	183,031,771
Bank Overdraft	0	29,662,120	0	29,662,120
Provision for Fees Prepayments	0	24,414,510	0	24,414,510
Employee benefit obligation	14,268,165	32,016,047	17,802,341	64,086,553
Total	15,568,152	86,372,727	199,254,074	301,194,953

iii. Market risk

The University has put in place an internal audit function to assist it in assessing the risk faced by the University on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the University's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The University's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the University's exposure to market risks or the way it manages and measures the risk.

Taita Taveta University

Annual Report and Financial Statements for the year ended June 30, 2024

Notes to the Financial Statements continued....

iv. Foreign currency risk Management

The University has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The University manages foreign exchange risk by limiting on foreign transactions except those related to project donor funding like CEMEREM and other services that are inevitably paid through foreign currency like KENET.

v. Capital Risk Management

The objective of Taita Taveta University's capital risk management is to safeguard the University's ability to continue as a going concern. The University capital structure comprises of the following funds:

Description	2023/2024	2022/2023
	Kshs	Kshs
Revaluation Reserve	2,117,449,052	2,131,803,703
Retained Earnings	(598,413,562)	(531,392,291)
Capital Reserve	1,438,510,801	1,431,010,801
Total Funds	2,957,546,290	3,031,422,213
Total Borrowings	388,010,433	301,194,953
Less: Cash And Bank Balances	(27,759,221)	(18,561,208)
Net Debt/(Excess Cash And Cash Equivalents)	360,251,213	235,147,803
Gearing	12	8

The gearing of 12% implies that the University operations are funded by lenders to an extent of 12% of its entire operations. This projects Taita Taveta University as a going concern and nothing has come to the attention of the University Management to project the contrary. The University continues to offer services and receive funding from the Government of Kenya and fees from students.

31. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the Taita Taveta University, holding 100% of Taita Taveta University equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Council

32. Related party transactions

Description	2023/2024	2022/2023
	Kshs	Kshs
Transactions with related parties		
a) Grants /Transfers from the Government		
Grants from National Government	341,949,555	441,606,379
Total	341,949,555	441,606,379
b) Expenses incurred on behalf of related party		
Total		
c) Key management compensation		
Directors' emoluments	11,945,346	9,915,833
Compensation to key management	51,479,889	51,997,376
Total	63,425,235	61,913,209

33. Segment Information

Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments. Taita Taveta University has no significant segmented departments and most of operations are carried out within the main campus with minor operations being carried out in Ngerenyi campus which is within the same geographical location of Taita Taveta County.

34. Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period. However, a June, 2024 recurrent grant of KES. 30,404,505 which was anticipated to be received by 30th June

Taita Taveta University

Annual Report and Financial Statements for the year ended June 30, 2024

Notes to the Financial Statements continued....

2024, was still on transit as at 30th June, 2024 and subsequently received at the University account on 01/07/2024. This transaction was reported as a receivable from exchange transaction as at 30th June, 2024

35. Ultimate and Holding Entity

Taita Taveta University is a Semi- Autonomous Government Agency under the Ministry of Education, science and Technology. Its ultimate parent is the Government of Kenya.

36. Currency

The financial statements for Taita Taveta University are presented in Kenya Shillings (KES) rounded to the nearest KES.

37. *Restated

The restatement was in respect to changes on Depreciation charge for the previous FY.2022/2023 arising from application of a rate of 25% in the class of assets under Plant, Machinery & Equipment instead of 10% in the previous Financial Years ended 30th June, 2022 and 30th June, 2023 and as per TTU Financial Manual and Regulations Revised 2021.

Additionally, a restatement was undertaken on the opening balances in the previous FY.2022/2023 for KCB Fees Collection and CEMEREM Project Account occasioned by fees receipts of Kshs. 140,409 and an advance of Kshs. 15,800 respectively. The amounts had been erroneously omitted in the initial schedules used in preparation of the Financial statements for the year ended 30th June, 2023. The restatement had a resultant effect on the opening bank balances, student debtors and provision for doubtful debts.

Taita Taveta University

Annual Report and Financial Statements for the year ended June 30, 2024

Notes to the Financial Statements continued....

20. Appendices

Appendix 1: Implementation Status of Auditor-General’s Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1.Uncertainty related to sustainability of services	The statement of financial position reflects total current liabilities of KES. 269,354,476 which exceeded total current assets of KES. 59,123,554, resulting in a negative working capital of KES. 210,230,922. Further the University reported a deficit of KES. 6,011,438 for the year ended 30 th June, 2022. This is an indication of existence of material uncertain which may cast a significant doubt on the University’s ability to sustain its services and to meet its financial obligations as and when they fall due.	<i>The Disclosure of Material Uncertainty Related to Sustainability of Services has been explained in Note 34 to the financial statements. The negative working capital is as a result of reduced incomes from students’ fees and insufficient Government capitation as compared to University operational requirements. To improve the working capital and ensure continued sustainability, the University has put in place the following strategic measures: 1. Increasing the number of niche programmes with the expected concurrent increase in the number of students and resultant fees collections. 2. Rationalized utilization of human resource capacity through consolidation of job descriptions and redeployments. 3. Commenced commercialization of University facilities to generate additional revenue</i>	Efforts to Resolve are ongoing. The New Funding Model under implementation will result to increased Revenue to support the University Operations.	30/06/2025
2.Non compliance with the law on ethnic compositions	Review of staff Establishment records revealed that one ethnic community represents thirty seven (37%) percent of the total staff establishment in Taita Taveta University. This is contrary to section 7 (1) and (2) of the National Cohesion and integration Act, 2008 which states that, ‘all public offices shall seek	<i>The initial employees of University recruited in the year 2013 and 2014 which were largely support staff (grades 1-5) were mainly drawn from the casual employees who had served the University from the time it operated as a Campus of Jomo Kenyatta University of Agriculture and Technology (JKUAT) in the year 2008. This category was majorly consisting of the local community (the Taita) and</i>	Efforts to Resolve are ongoing	30/06/2027

Taita Taveta University
Annual Report and Financial Statements for the year ended June 30, 2024

Notes to the Financial Statements continued....

	<p>to represent the diversity of the people of Kenya in employment of staff and that no public institution shall have more than one third of its staff establishment from the same ethnic community. In the circumstances, management was in breach of the law.</p>	<p>the non –Taita from the neighbouring Counties who were permanent residents of Taita Taveta County. Over the years, however, the University has made efforts to balance the tribal composition of its staff population from the initial 41% composition of Taita in 2014 to 37% in June 2022 and the current 33.7% as at February 2023. This has been achieved by ensuring balance of ethnic composition in the respective departments during recruitment including positive discrimination of the candidates originating from marginalized Counties or background</p>	
<p>3.Incomplete Enterprise Resource Planning (ERP) System</p>	<p>The University contracted for supply, installation, implementation and commissioning of an ERP system on 18 September, 2015 at a contract sum of KES.17,580,103, with an implementation timeline of fourteen(14) weeks. However, the vendor did not deliver as per the agreement despite payment of KES.15,297,884 prompting the University to terminate the contract and advertise for a new one.</p> <p>The records further show that the University awarded another contract at a sum of KES.1,861,800 on 23 April, 2021 for a duration of seventeen (17) weeks. The contractor established that the developer licence for the system had expired and could not support the integration of the system. As at the close of the financial year in June, 2022, an amount of KES.558,540 had been paid to the new contractor. However, verification conducted during the month of February, 2023 revealed that the contractor had not completed the services as per the contract agreement.</p>	<p>The new Contractor undertook a comprehensive review of the System, and engaged the respective Users of the System. From User engagement the scope of works was much more than the original scope and which the Contractor undertook to do without variation in contract sum. This required more time.</p> <p>There was a slow start of the project as the Country and the University in particular was transitioning from Covid-19 pandemic effects including social, economic and financial effects.</p> <p>The project has made tremendous progress; and as at 30th June,2024 the completion status is 99%.</p>	<p>Resolved</p> <p>30/06/2025</p>

Taita Taveta University

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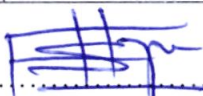
Notes to the Financial Statements continued....

	In the circumstances, value for money had not been realized from the system despite the expenditure of KES.15,856,424.			
1.1 Incomplete Administration Block – Taita Taveta University Main Campus	The University awarded the contract for the construction of Administration Block Main Campus at a contract sum of KES.280,870,539 on 23 October, 2017 for a period of fifty-two(52) Weeks with expected completion date of 20 December, 2018. However, the project was still incomplete at 73%, two hundred and thirty six (236) weeks after commencement.	<i>There are notable factors that have negatively affected the completion rate of the aforementioned projects and they include the following:</i> 1. <i>Insufficient budgetary allocation for capital projects by the State Department for Higher Education and Research under parent Ministry of Education.</i> 2. <i>Non-disbursement of all MOE approved budget allocation for the respective financial years. In FY2018-2019, KES 142,672,842 was disbursed against an approved capital budget of KES 200,180,000.00 despite submission of pending unpaid project certificates.</i> 3. <i>Delays in disbursement of funds for cleared Certificates for Payments. This occurred variously since commencement of projects (Doc 4.12A).</i> 4. <i>Formal downward revision of approved capital budget (Doc 4.12B). During the FY2020-2021, the approved budget allocation for capital expenditure was KES 73,029,332.00, however, MOE communicated downward revision by 50% of this budget citing the outbreak of COVID-19. This negatively affected implementation of the projects. The same reduction had happened in FY 2018/2019, where The National Treasury communicated, during a consultative meeting with the University on budget, that the Government had reduced the capital budget allocation from KES.300,180,000 to KES.</i>	Not Resolved	30/06/2026
1.2 Incomplete Construction of Administration Block at Taita Taveta University Taveta campus	The University awarded the contract for the construction of administration block at Taita Taveta University at a contract sum of KES.87,531,993 on 23 October, 2017 for a period of one hundred and four (104) weeks. However, the project was still incomplete at eighty-two(82%) two hundred and seventy seven (277) weeks after commencement.		Not Resolved	30/06/2026
7.3 Incomplete Construction and Equipping of the Mines, Fuel and Mineral	The University awarded the contract for the construction and equipping of the Mines, Fuel and Mineral Processing Laboratory Phase III at Main Campus at a contract sum of KES.98,857,624.80 on 10 March, 2020. However, the project was still incomplete at fifty-six(56%) as at the time of audit in		Not Resolved	30/06/2026

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Notes to the Financial Statements continued....

<p>Processing Laboratory Phase III at Main Campus</p>	<p>February, 2023.</p>	<p>200,180,000 for FY2018-2019 (Doc 4.12C and 4.12D)</p> <p>5. <i>Outbreak of COVID-19 pandemic in Kenya in March 2020.</i> <i>The COVID-19 pandemic impacted negatively on the progress of the projects; they were completely stopped because of MOH and GoK protocols put in place to mitigate spread of Corona virus.</i></p>		
<p>7.4 Stalled Construction of Water Treatment Plant and Dairy Shed at Taita Taveta University - Ngerenyi Centre</p>	<p>The University awarded the contract for the Construction of Water Treatment Plant and Dairy Shed at Taita Taveta University - Ngerenyi Centre at a contract sum of KES. 3,579,139 via a contract agreement dated 25 October, 2016. However, the project had stalled at sixty-five(65%) as at the time of audit in February, 2023.</p>	<p>Stalled projects: <i>The Construction of Water Treatment Plant and Dairy Shed and Construction of 2 No. Classroom Block Phase 1 at Taita Taveta University - Ngerenyi Centre stalled following an advisory from the Attorney General REF:AG/CONF/21/58/15 Vol.I dated 5th February 2019 that advised the University to stop any further investment at the Ngerenyi Centre until a title deed in the name of the University is obtained. The Management has successfully acquired the Ngerenyi title deed in October 2022 and the construction of the stalled projects is expected to resume in the Financial Year 2025/2026.</i></p>	<p>Not Resolved</p>	<p>30/06/2026</p>
<p>7.5 Stalled Construction of Two-Classroom Block Phase 1 at Taita Taveta University - Ngerenyi Centre</p>	<p>The University awarded the contract for the construction of two (2) classroom block phase 1 at Taita Taveta University - Ngerenyi Centre at a contract sum of KES.6,011,868 via a contract agreement dated 25 October, 2016. However, the project had stalled at sixty-three (63%) as at the time of audit in February, 2023</p>	<p><i>The Construction of Water Treatment Plant and Dairy Shed and Construction of 2 No. Classroom Block Phase 1 at Taita Taveta University - Ngerenyi Centre stalled following an advisory from the Attorney General REF:AG/CONF/21/58/15 Vol.I dated 5th February 2019 that advised the University to stop any further investment at the Ngerenyi Centre until a title deed in the name of the University is obtained. The Management has successfully acquired the Ngerenyi title deed in October 2022 and the construction of the stalled projects is expected to resume in the Financial Year 2025/2026.</i></p>	<p>Not Resolved</p>	<p>30/06/2026</p>

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 Prof. Fred Simiyu Barasa, PhD.
Vice Chancellor

30/12/2024

Date

Taita Taveta University**Annual Report and Financial Statements for the year ended June 30, 2024**

Notes to the Financial Statements continued....

Appendix II: Projects implemented by Taita Taveta University

Taita Taveta University has been implementing the following infrastructural projects through funding from the Government of Kenya, through Ministry of Education, State Department of Higher Education and Research.

S/NO	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.
1	Construction of Mines, Fuels & Mineral Processing Centre-Phase II	3542	GOK	1 YR	N/A	NO	YES
2	Construction of water treatment plant and Dairy shed Ngerenyi Centre	3893	GOK	3YRS	N/A	NO	YES
3	Proposed Construction of 2 No. Classroom block Ngerenyi phase 1	3892	GOK	3YRS	N/A	NO	YES
4	Construction of Admin block main campus	3535	GOK	1YR	N/A	NO	YES
5	Construction of Admin block Taveta campus	3538	GOK	2 YRS	N/A	NO	YES
6	Construction of Mines, Fuels & Mineral Processing Centre-Phase III	14266	GOK	1 YR	N/A	NO	YES

Taita Taveta University

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Notes to the Financial Statements continued....

Status of Projects completion

S/No	Project	Total Project Cost	Total Expended to date	Completion % to date	Budget	Actual	Sources of Funds
		KES.'000'			KES'000'		
1	Construction of Administration Block at Main Campus (TTU/T/01/2017/2018)	345,577,843.06	258,672,071.20	80.0%	14,000,000.00	232,804,863.90	GoK
2	Completion of Mines, Fuels and Mineral Processing Centre, Phase II (TTUC/T/04/2016/2017) and Equipping of the Mines Labs Phase II	102,251,000.00	103,640,582.60	100.0%	2,000,000.00	93,290,993.80	GoK
3	Completion and Equipping of Administration and Classroom Block at Taveta Campus (TTU/T/02/2017/2018)	87,531,993.40	76,173,382.27	85.0%	2,500,000.00	68,955,471.00	GoK
4	Completion of Water Treatment Plant and Dairy Shed at Taita Taveta University -Ngerenyi Centre (TTUC/T/06/2016-2017)	5,340,000.00	2,343,055.00	65.0%	1,500,000	2,108,748.00	GoK
5	Completion of Classroom Block Phase 1 at Taita Taveta University - Ngerenyi Centre (TTUC/T/05/2016/2017)	8,840,000.00	3,840,847.00	63.0%	5,000,000.00	3,456,684.70	GoK
6	Proposed Construction and Equipping of the Mines, Fuel and Mineral Processing Laboratory Phase 111 at Main Campus (TTU/OT/01/2019 -2020)	98,857,624.80	73,112,535.10	56.0%	5,000,000.00	65,801,281.59	GoK

Taita Taveta University

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Notes to the Financial Statements continued....

Appendix III: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/Others	Total Amount - KES	Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others	Total Transfers during the Year
Ministry of Education, State Department of Higher Education & Research	8/10/2023	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	8/30/2023	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	9/12/2023	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	11/1/2023	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	12/13/2023	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	1/8/2024	Recurrent	30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	2/29/2024	Development	3,750,000		3,750,000				3,750,000
Ministry of Education, State Department of Higher Education & Research	2/29/2024	Development	3,750,000		3,750,000				3,750,000
Ministry of Education, State Department of Higher Education & Research	2/12/2024		30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	3/13/2024		30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	4/12/2024		30,404,505	30,404,505					30,404,505

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 Notes to the Financial Statements continued....

Ministry of Education, State Department of Higher Education & Research	5/17/2024		30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	6/12/2024		30,404,505	30,404,505					30,404,505
Ministry of Education, State Department of Higher Education & Research	7/1/2024		30,404,505	30,404,505			30,404,505		30,404,505
Total		0	372,354,060	364,854,060	7,500,000	0	30,404,505	0	372,354,060

Taita Taveta University

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Notes to the Financial Statements continued.....

Appendix IV - Inter - Entity Confirmation Letter

Name of Transferring: Ministry of Education,State Department of Higher Education

Name of Beneficiary: **Taita Taveta University**

Confirmation of Amounts Received by Taita Taveta University as at 30th June, 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total D=(A+B)	Remarks
FT23222XR56H	8/10/2023	30,404,505		30,404,505	Received
FT2324227KFF	8/30/2023	30,404,505		30,404,505	Received
FT23255FSXKV	9/12/2023	30,404,505		30,404,505	Received
FT23305XB2TZ	11/1/2023	30,404,505		30,404,505	Received
FT23347HZZHY	12/13/2023	30,404,505		30,404,505	Received
FT24008P2QFB	1/8/2024	30,404,505		30,404,505	Received
FT240601XBXV	2/29/2024	0	3,750,000	3,750,000	Received
FT24060WW92Z	2/29/2024	0	3,750,000	3,750,000	Received
FT24043Y33N7	2/12/2024	30,404,505		30,404,505	Received
FT240730F5H8	3/13/2024	30,404,505		30,404,505	Received
FT24103HD9Z3	4/12/2024	30,404,505		30,404,505	Received
FT24138BSMF0	5/17/2024	30,404,505		30,404,505	Received
FT24164PVD4M	6/12/2024	30,404,505		30,404,505	Received
FT24183TZ3TY	7/1/2024	30,404,505		30,404,505	Received
Total		364,854,060	7,500,000	372,354,060	

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

Head of Accounts Department - Ministry of Education, State Department of Higher Education

Name Sign Date

Head of Accounts Department - Taita Taveta University:

Name *CPA Peter Kisombe* Sign *[Signature]* Date *30/12/2024*

Appendix III- Inter-Entity Confirmation Letter

Confirmation of Amounts Received by Taita Taveta University as at 30th June, 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total, D=(A+B)	Remarks
FT23222XR56H	8/10/2023	30,404,505		30,404,505	Received
FT2324227KFF	8/30/2023	30,404,505		30,404,505	Received
FT23255FSXKV	9/12/2023	30,404,505		30,404,505	Received
FT23305XB2TZ	11/1/2023	30,404,505		30,404,505	Received
FT23347HZZHY	12/13/2023	30,404,505		30,404,505	Received
FT24008P2QFB	1/8/2024	30,404,505		30,404,505	Received
FT240601XBXV	2/29/2024	0	3,750,000	3,750,000	Received
FT24060WW92Z	2/29/2024	0	3,750,000	3,750,000	Received
FT24043Y33N7	2/12/2024	30,404,505		30,404,505	Received
FT240730F5H8	3/13/2024	30,404,505		30,404,505	Received
FT24103HD9Z3	4/12/2024	30,404,505		30,404,505	Received
FT24138BSMF0	5/17/2024	30,404,505		30,404,505	Received
FT24164PVD4M	6/12/2024	30,404,505		30,404,505	Received
FT24183TZ3TY	7/1/2024	30,404,505		30,404,505	Received
Total		364,854,060	7,500,000	372,354,060	

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

Head of Accounts Department - Ministry of Education, State Department of Higher Education

Name Hannisi Kubu Sign [Signature] Date 30/12/2024

Head of Accounts Department - Taita Taveta University:

Name PA JEB Kisonke Sign [Signature] Date 30/12/2024

30 DEC 2024