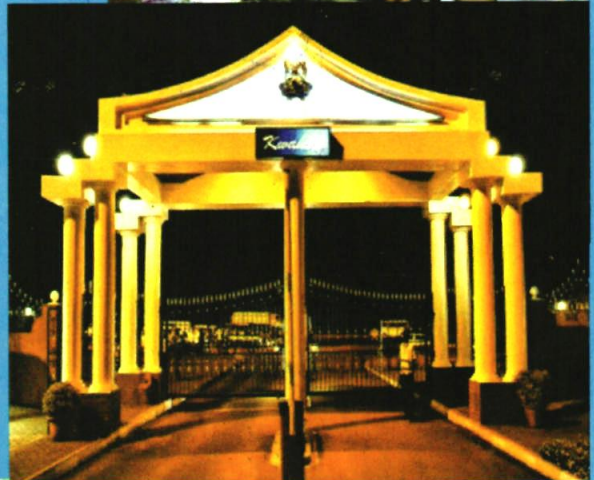


*Prof. Land
 Prof. Hon. Jambek
 Kamau
 on 12/12/11*



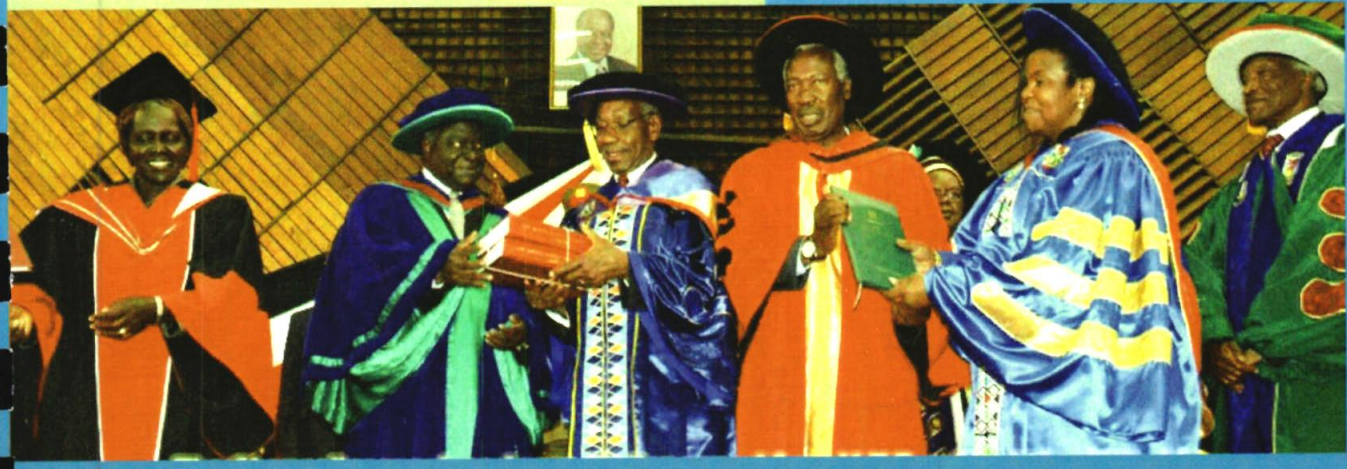
Financial Statements for the Year Ended 30th June 2012



Kenyatta University

**Transforming Higher
 Education...**

Enhancing Lives



OUR CORPORATE PHILOSOPHIES

OUR VISION

To be a dynamic, an inclusive and a competitive centre of excellence in teaching, learning and service to Humanity.

OUR MISSION

To provide quality education and training, promote scholarship, service, innovation and creativity and inculcate moral values for sustainable individual and societal development.

OUR IDENTITY

A community of scholars committed to the generation of knowledge and cultivation of wisdom for the welfare of society.

OUR PHILOSOPHY

Sensitivity and responsiveness to societal needs and the right of every person to knowledge.

KENYATTA UNIVERSITY



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KENYATTA UNIVERSITY

UNIVERSITY COUNCIL MEMBERS

Mr. Benson I. Wairegi	-	Chairman
Prof. Chacha Nyaigotti Chacha	-	Vice Chairman
Mr. Eliud K. Mathiu	-	Hon. Treasurer
Prof. Olive M. Mugenda	-	Vice- Chancellor
Prof. Keren G. Mburugu	-	Ag. Deputy Vice Chancellor (FP&D)
Prof. Paul K. Wainaina	-	Deputy Vice Chancellor (Administration)
Prof. John Okumu	-	Deputy Vice Chancellor (Academic)
Prof. Mohamed Rajab	-	Principal, Pwani University
Prof. Chrispus Kiamba	-	P. S., Ministry of Higher Education Science and Technology
Mr. Joseph K. Kinyua	-	P. S., Ministry of Finance
Dr. Frank Mwongera	-	Member
Pastor Beatrice W. Musila	-	Member
Dr. Mary Lonyangapuo	-	Member
Mr. Sammy P.M. Kyungu	-	Member
Mr. Obondo Kajumbi	-	Member
Prof. David Ngugi	-	Member
Mr. Richard Kemoli	-	Member
Ms. Grace B. N. Madoka	-	Member
Ms. Bernice Gachegu	-	Co-opted Member
Mr. Philemon Mwaisaka	-	Co-opted Member
Dr. Christine Wasanga	-	Senate Representative
Prof. Ephantus Kabiru	-	Senate Representative
Prof. Christopher Shisanya	-	Senate Representative
Prof. Waceke Wanjohi	-	Senate Representative
Dr. Franklin Kinoti Kaburu	-	Non- Senate Representative
Mr. Benson Okebe	-	Non-Senate Representative
Mr. Eugene Mutembe	-	Non-Academic Members Representative
Mr. Tom Mboya	-	Students Representative
Mr. Maroa Fred Kiriga	-	Students Representative

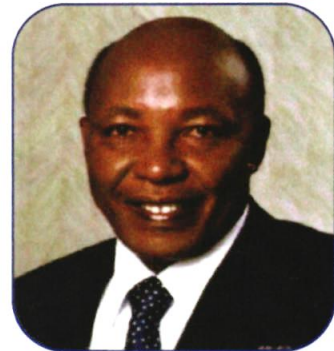
KENYATTA UNIVERSITY
THE PRINCIPAL OFFICERS OF THE UNIVERSITY



Prof. O. Mutungi



Prof. Olive M. Mugenda



Mr. B. I. Wairegi



Prof. J.. Okumu



Prof. K. Mburugu



Prof. P. Wainaina



Dr. D. Muindi



Dr. N. Karagu



Prof. G. Mse



Mr. J. I. Gitahi



KENYATTA UNIVERSITY
CHANCELLOR AND THE PRINCIPAL OFFICERS
OF THE UNIVERSITY

Chancellor

PROF. JUSTICE (RTD) ONESIMUS K. MUTUNGI, E.B.S.
LL. B. (Dar-Es-Salaam), LL. M. (Columbia), J.S.D. (Yale)

Chairman of the University Council

Mr. BENSON I. WAIREGI, E.B.S.,
B.Com.(Accounting), MBA (Nairobi), CPA (K.)

Vice – Chancellor

PROF. OLIVE M. MUGENDA, C.B.S,
B. Ed., (Nairobi), MBA (ESAMI), M.Sc., Ph.D. (Iowa State USA),

Deputy Vice-Chancellor (Administration)

PROF. PAUL K. WAINAINA,
B.Ed., MA, ED, (Nairobi), Ph.D. (Alberta)

Deputy Vice Chancellor (Academic)

PROF. JOHN OKUMU,
B.Sc. (Kenyatta), Ph.D. (Leeds)

Ag. Deputy Vice-Chancellor (Finance, Planning & Development)

PROF. KEREN G. MBURUGU,
Dip. Ed., B.Sc. (Wisconsin), M.Ed., Ph.D. (Kenyatta University)

Registrar Administration

PROF. GODFREY MSE,
B.Ed.(Nairobi), M.ED, Ph.D. (Kenyatta University)

Registrar Academic

DR. DANIEL M. MUINDI,
B.Ed. (Nairobi), M.Ed. Ph.D. (Kenyatta University)

Registrar (Finance, Planning and Development)

DR. NELSON M. KARAGU
B.Sc., M.A. Ed (Idaho), Ph.D. (Nairobi)

Librarian

DR. GEORGE G. NJOROGE,
Ph.D, (Nairobi)

Finance Officer

JOSEPH I. GITAHI,
B. Sc., M.Sc. Org. Dev. (USIU), CPA (K)

KENYATTA UNIVERSITY

UNIVERSITY INFORMATION



PRINCIPAL PLACE OF BUSINESS

Kenyatta University
Thika Road, Nairobi
P. O. Box 43844- 00100
Nairobi.

REGISTERED OFFICE

Kenyatta University
Thika Road, Nairobi
P. O. Box 43844- 00100
Nairobi.

BANKERS



Engineering Building

- Co-operative Bank of Kenya Ltd.
Helasie Selassie Avenue
P.O. Box 48231 – 00100
Nairobi
- National Bank of Kenya
Ltd.
P. O. Box 41862 –
00100
Nairobi.
- Kenya Commercial Bank
Ltd
P. O. Box 30081
Nairobi.
- Standard Chartered Bank Ltd.
P. O. Box 64355 - 00620
Nairobi.
- Equity Bank Ltd
P.O. Box 75104 – 00200
Nairobi

AUDITORS

Kenya National Audit Office
P.O. Box 30084 - 00100
GPO, Nairobi.

ADVOCATES

Lawrence Mungai and Advocates
P. O. Box 10130 - 00100
Nairobi.



KENYATTA UNIVERSITY

CHAIRMAN'S REPORT - 30TH JUNE 2012



It is my great pleasure to present the University Annual Report and Financial Statements for the year ended 30th June 2012.

It is worth noting that as from the year 2006 the University embarked on a programme to transform the University with view of attaining world class status. To do so the University developed a 10 year strategic plan that has enabled the University to achieve enormous growth.

In its goal of increasing access to quality education and training, the University completed the School of Hospitality Building, and other facilities are in progress including School of Economics, Graduate School, New Parklands Building among others.

On infrastructure development the University is constructing modern Teaching, Research and Referral Hospital, Administration Block, Business Incubation Centre and Directorate Building among others.

In an effort to improve service delivery, the University aims to construct additional hostels under the PPP (Public Private Partnership) concept. This will facilitate more students to acquire accommodation at the main campus.

We will continue to work closely with the Government and other collaborating partners to provide highly competitive and versatile graduates which the country and region need for sustainable development.

I take this opportunity to thank the Government of Kenya and all collaborating partners, both internal and external for their continued support.

Lastly, I want to thank my fellow members of council, members of staff, and students for their tireless effort and team work which has enabled the University to achieve very impressive results in the year just ended 2012.

“We will continue to work closely with the Government and other collaborating partners to provide highly competitive and versatile graduates “

Mr. Benson I. Wairegi, E.B.S.
Chairman,
Kenyatta University Council



VICE-CHANCELLOR'S REPORT - 30 JUNE 2012



I am delighted to present the Annual Report and Financial Statements of Kenyatta University for the year ended 30th June 2012. During the year under review, the University remained on course in implementation of the 2005-2015 Strategic vision Plan; the focus of which has been on recovery, consolidation and reshaping the university for targeted expansion and internationalization. The main focus being quality, relevance and sustainability intended to enable a world class university.

During the year, the University put in place the necessary internal control on resources to ensure that we meet the targets of revenue collection and cost control.

The University witnessed two Graduation Ceremonies, which saw the release of 5234 graduands to the labour market, who are highly competitive and meet high standards of dependability.

To facilitate increased access to University education to Kenyans, the University planned for and embarked on projects geared towards attaining this by constructing the School of Economics, Graduate School, School of Hospitality Building, New Parklands Building, extension of facilities in City Centre Campus , Nairobi and improvement of other facilities in order to prepare for increasing enrolments.

In conclusion, I take this opportunity to convey my appreciation and gratitude to the University Council, Management and all members of staff for their commitment to work and their timeless and splendid efforts that have seen Kenyatta University move towards its goal of becoming a world-class University.

Finally, I would like to thank the government and local donors, suppliers and service providers for their mental trust, guidance and continued co-operation.

*“the University remained on course in implementation of the 2005-2015 Strategic Vision Plan
The main focus being quality, relevance and sustainability intended to enable a world class university.”*

Prof. Olive M. Mugenda, Ph.D., C.B.S,
VICE-CHANCELLOR



KENYATTA UNIVERSITY

STATEMENT OF KENYATTA UNIVERSITY COUNCIL MEMBERS RESPONSIBILITIES FOR THE YEAR ENDED 30TH JUNE 2012

Kenya University is required to prepare statements, which give a true and fair view of the state of affairs of the University as at the end of the financial year, and of its surplus or deficit for that year. The University Council is required to ensure that the University maintains proper accounting records, which disclose, with reasonable accuracy, the financial position of the University. Council is also responsible for safeguarding the assets of the University.

Council accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years and in conformity with International Financial Reporting Standards. Council is of the opinion that financial statements give a true and fair view of the state of the financial affairs of the University as at 30th June 2012 and of its surplus for the year then ended.

Council further confirms the accuracy and completeness of the accounting records maintained by the University, which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the system of internal financial control.

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

This statement is approved by Council and is signed on its behalf by:

Prof. Olive M. Mugenda, Ph.D.,C.B.S,
VICE-CHANCELLOR

Prof. Keren G. Mburugu, Ph. D.
AG. DEPUTY VICE-CHANCELLOR
(FINANCE, PLANNING & DEVELOPMENT)

KENYATTA UNIVERSITY

CORE BUSINESS OF KENYATTA UNIVERSITY



The core business of the university is provided for in the Universities Act 2012 and the Kenyatta University Charter.

Functions and objectives of the university includes: -

- To provide directly or in collaboration with other institutions of higher learning, facilities for university education including technological and professional education research..
- To provide and advance university education and training to appropriately qualified candidates leading to the award of degrees, diplomas and certificates as council and senate shall from time to time determine and in so doing contribute to the manpower needs of Kenya.
- To conduct examinations for and to grant such academic awards as may be provided for in the statutes.
- To participate in the discovery, transmission and presentation of knowledge and to stimulate cultural and intellectual life of the society.
- To determine who may teach and what may be taught and how it may be taught in the university.
- To play an effective role in the development and expansion of opportunities to Kenyans wishing to continue with their education.



H. E. Jakaya Kikwete, President of the Republic of Tanzania, Hon. C. A. Mwakwere, Min. for Environment, Hon. M. Kamari, Min. Higher Education, Prof. Justice (Rtd) O. Mutungi, Chancellor, KU, Mr. B. Wairegi, Chairman of Council, KU, Prof. Olive



KENYATTA UNIVERSITY

FUNCTIONS AND RESPONSIBILITIES OF THE COUNCIL

The Council is the governing body of the University. Its responsibilities are:

To administer the property and funds of the University.

- Shall receive gifts, grants or other moneys on behalf of the University, and make disbursements there from.
- May enter into associations with other universities.
- Shall provide for the welfare of students and members of staff.
- Make regulations governing the conduct and discipline of staff and students of the University.



Military Matriculation

KENYATTA UNIVERSITY
KENYA NATIONAL AUDIT OFFICE REPORT



REPUBLIC OF KENYA

Phone: +254-20-342330
254-20-311482
Email: cag@kenyaweb.com

P.O. Box 30084-00100
NAIROBI



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON KENYATTA UNIVERSITY FOR THE YEAR ENDED 30 JUNE 2012

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Kenyatta University set out on pages 10 to 29, which comprise the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 15(2) of the Public Audit Act, 2003 and submit the report in compliance with Article 229 (7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with



KENYATTA UNIVERSITY

KENYA NATIONAL AUDIT OFFICE REPORT

ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

1. Property, Plant and Equipment

The property, plant and equipment balance of Kshs.7,859,788,860 as at 30 June 2012 includes the Main Campus land registration No.11026/2 of 445.17 hectares valued at Kshs.35,032,470. However part of the land measuring 12.472 hectares and valued at Kshs.981,478.90 have been illegally encroached upon by squatters. The University has filed a suit on the illegal encroachment of the land and the matter is pending hearing at the Court of Law.

In the circumstances, it has not been possible to confirm the ownership status of the parcel of land encroached upon by squatters and the extent of impairment of the property, plant and equipment balance of Kshs.7,859,788,860 as at 30 June 2012.

2. Trade and Other Receivables-Kshs.225,033,293

(i) Sundry debtors Kshs.55,490,186

Included in the figure for trade and other receivables balance of Kshs.225,033,293 as at 30 June 2012 are sundry debtors amounting to Kshs.55,490,186 out of which an amount of Kshs.9,492,406.85 has been outstanding for more than two years. No evidence was availed to confirm efforts being taken to recover these debts.

KENYATTA UNIVERSITY
KENYA NATIONAL AUDIT OFFICE REPORT



(ii) Imprests control Kshs.29,176,320

The trade and other receivable figure of Kshs.225,033,293 as at 30 June 2012 includes imprest control of Kshs.29,176,320 as analysed at note 14 of the financial statements out of which Kshs.10,899,630 are imprests held by ex-employees. No satisfactory reasons were given as to why the imprests were not recovered before the employees left the University.

(iii) Staff debtors Kshs.7,293,020

Further the trade and other receivables balance of Kshs.225,033,293 as at 30 June 2012 include an amount of Kshs.7,293,020 being staff debtors out of which Kshs.1,421,445.70 relate to car loans owed by four (4) ex-employees which has been outstanding for a long period of time. The car loans were issued by National Bank of Kenya and guaranteed by the University and later stopped paying their car loans after they left the University. The bank, however, recovered the amount owed together with the accrued interest from the fixed deposit account of the University.

In addition, the University has not provided for audit verification the policy on car loans to the staff, details on how the log books were released to the ex-staff and how the ex-employees were cleared by the University before the University fully recovered the outstanding loans.

In the circumstances, it has not been possible to confirm the recoverability of the trade and other receivable balance of Kshs.225,033,293 as at 30 June 2012.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects the financial position of the University as at 30 June 2012, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Kenyatta University Act, Cap. 1985.

Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

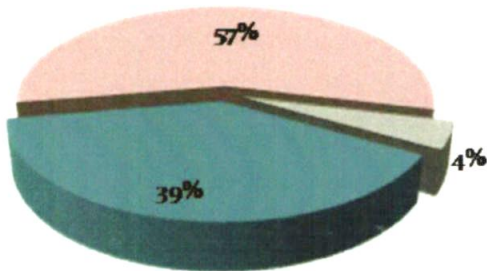
19 April 2013



KENYATTA UNIVERSITY

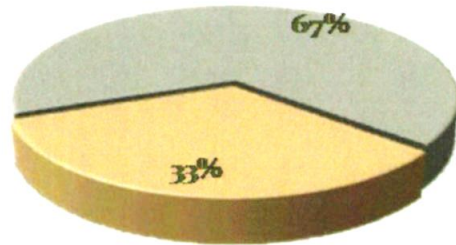
FINANCIAL HIGHLIGHTS

Distribution of Income 2012



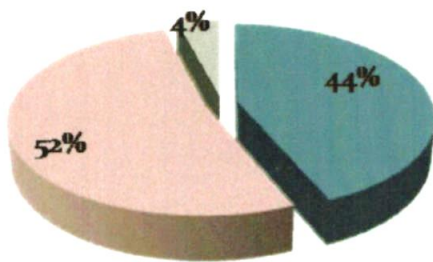
■ Gov. Grants ■ Tuition Fees ■ Other Income

Distribution of Expenditure 2012



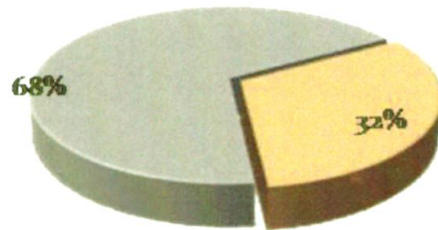
■ Central Services ■ Admin. & Academic Dept.

Distribution of Income - 2011



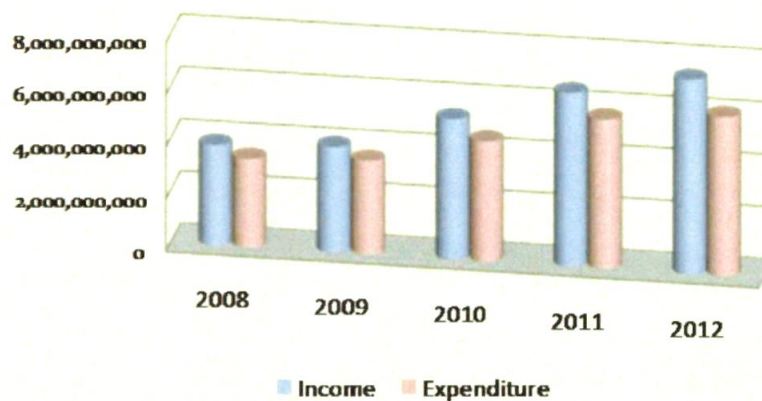
■ Gov. Grants ■ Tuition Fees ■ Other Income

Distribution of Expenditure 2011



■ Central Services ■ Admin. & Academic Dept.

Revenue and Expenditure Comparison - 5 Year Trend

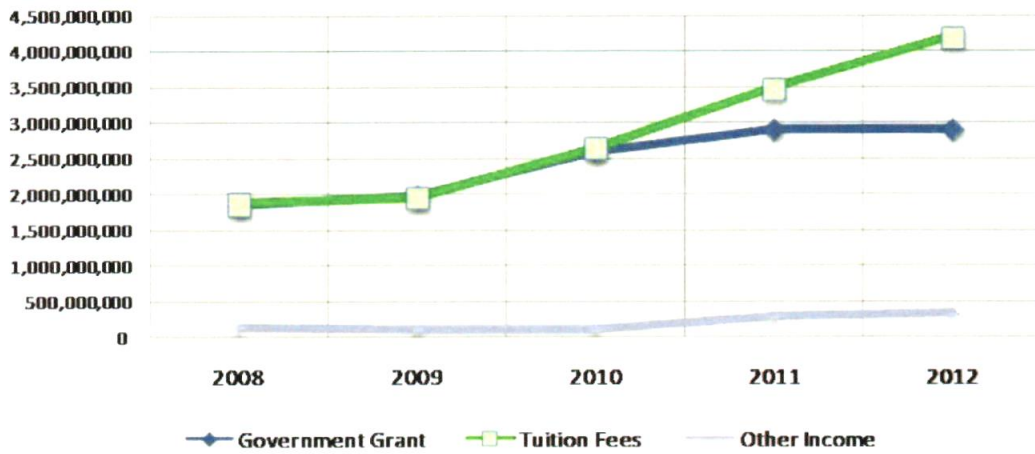


■ Income ■ Expenditure

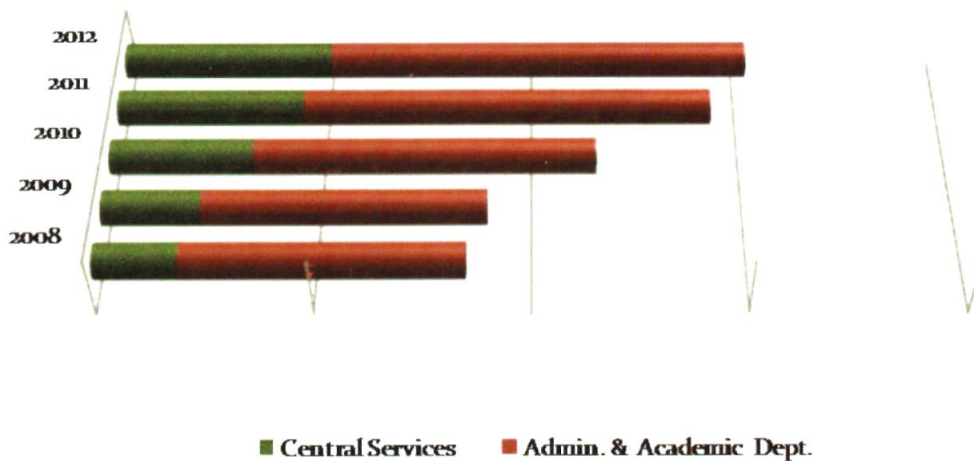
FINANCIAL HIGHLIGHTS



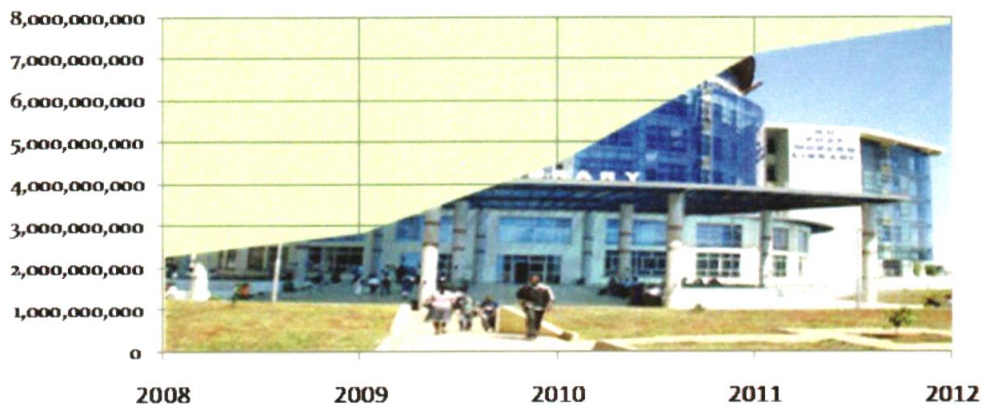
Income by Source - 5 Year Trend



Composition of Expenditure - 5 Year Trend



Non-current Assets Growth - 5 Year Trend





KENYATTA UNIVERSITY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

ASSETS	<u>NOTES</u>	2012 Kshs.	2011 Kshs.
NON - CURRENT ASSETS			
Property, Plant and Equipment	9	7,859,788,860	7,149,326,578
		7,859,788,860	7,149,326,578
CURRENT ASSETS			
Inventories	11	80,467,868	54,080,364
Trade and Other Receivables	14	225,033,293	203,595,184
Short Term Deposits	12	402,107,360	158,273,145
Cash and Bank Balances	13	341,433,332	85,839,747
		1,049,041,853	501,788,440
TOTAL ASSETS		8,908,830,713	7,651,115,017
CAPITAL FUNDS & LIABILITIES			
CAPITAL FUNDS			
Capital Fund	10	1,866,747,983	1,814,247,983
Revenue Reserve	10	5,516,695,938	4,176,136,406
Revaluation Reserve	10	28,721,234	28,721,234
		7,412,165,155	6,019,105,623
CURRENT LIABILITIES			
Trade and Other Payables	15	871,948,214	870,072,009
Bank Overdraft	13	-	73,565,845
		871,948,214	943,637,855
LONG TERM LIABILITIES			
Bank Loan	16	624,717,344	688,371,541
		624,717,344	688,371,541
TOTAL FUNDS & LIABILITIES		8,908,830,713	7,651,115,017

PROF. OLIVE M. MUGENDA Ph.D, C.B.S, _____ DATE: _____

VICE-CHANCELLOR

PROF. KEREN MBURUGU, Ph.D, _____ DATE: _____

DEPUTY VICE CHANCELLOR (F, P, & D)

JOSEPH I. GITAH CPA (K) _____ DATE: _____

FINANCE OFFICER

KENYATTA UNIVERSITY

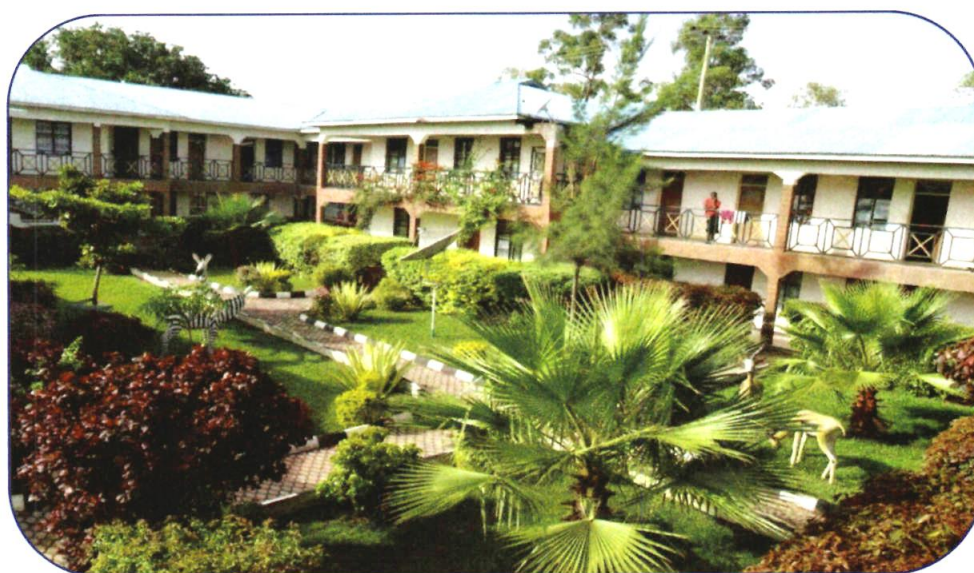


STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

	<u>NOTES</u>	2012 Kshs.	2011 Kshs.
INCOME			
Government Grant	4	2,903,500,000	2,903,500,000
Tuition & Other Fees	5	4,202,438,506	3,477,640,525
IGA & Other Incomes	6	332,838,552	274,014,175
		7,438,777,057	6,655,154,700
EXPENDITURE			
Central Services (R)	7	2,029,791,455	1,806,956,112
Administrative & Academic	8	4,068,426,069	3,916,081,908
		6,098,217,525	5,723,038,020
SURPLUS		1,340,559,532	932,116,680

Note (R)

The surplus has changed due to adjustment of depreciation.



Migori Campus



KENYATTA UNIVERSITY

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE, 2012

	<u>NOTES</u>	2012 Kshs.	2011 Kshs.
Cash flow from operating expenses			
Surplus		1,340,559,532	932,116,681
Adjustment for:			
Depreciation	9	283,917,214	267,362,310
Bad & Doubtful Debts Main Campus	7	2,382,012	(1,436,177)
Net Gain on Disposal Of Property	6	-	(1,100,000)
Bank Loan Interest	7	130,253,401	72,579,369
Interest Received	6	(21,556,462)	(12,982,864)
		1,735,555,697	1,256,539,319
Change in Inventories	11	(26,387,505)	(9,543,947)
Change in Debtors & Receivables	14	(23,820,122)	14,361,769
Change in Trade & Other Payables	15	1,876,205	47,179,823
Cash from Operating Activities		(48,331,421)	51,997,645
Net Cash from Operating Activities		1,687,224,276	1,308,536,964
Investing Activities			
Property, Plant and Equipment	9	(994,379,494)	(1,646,143,629)
Disposal Of Property			2,056,446
Interest Income Received	6	21,556,462	12,982,864
		(972,823,032)	(1,631,104,319)
Financing Activities			
Bank Loan Repaid	16	(63,654,197)	(82,678,063)
Bank Loan Interest Paid	7	(130,253,401)	(72,579,369)
Capital Grant (GOK)	10	40,000,000	105,000,000
Capital Grant (Others)	10	12,500,000	-
		(141,407,598)	(50,257,432)
Net Increase in Cash & Cash Equivalents		572,993,646	(372,824,789)
Net Cash & Cash Equivalents - Brought Forward		170,547,047	543,371,836
		743,540,693	170,547,047
Analysis of Cash & Cash Equivalents			
Cash and Bank Balances	13	341,433,332	85,839,747
Short Term Deposits	12	402,107,360	158,273,145
Bank Overdraft	13	-	(73,565,845)
		743,540,693	170,547,047

KENYATTA UNIVERSITY



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2012

	Capital Fund	Revaluation Reserve	Revenue Reserve	Total
Balance as at 1st July 2010	1,709,247,983	28,721,234	3,244,019,726	4,981,988,943
Government Capital Grants	105,000,000	-	-	105,000,000
Surplus for the Year (R)	-	-	932,116,680	932,116,680
Balance as at 30th June 2011	1,814,247,983	28,721,234	4,176,136,406	6,019,105,623
Government Capital Grants	40,000,000	-	-	40,000,000
Other Capital Grants	12,500,000	-	-	12,500,000
Surplus for the year	-	-	1,340,559,532	1,340,559,532
Balance as at 30th June 2012	1,866,747,983	28,721,234	5,516,695,938	7,412,165,155

Note (R)

The surplus has changed due to adjustment of depreciation.



Nakuru Campus



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012

1. SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation

The financial statements are prepared in accordance with the International Financial Reporting Standards promulgated by the International Standards Board. The Financial Statements are prepared under historical cost convention to include revaluation of certain assets.

B) Fees Income,

Fees revenue is recognized as and when received and balance accrued at the end of the year.

(c) Property, Equipment, and Depreciation

Property and equipment are stated at cost or valuation less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

The annual rates in use are:

Furniture and Equipment	-	10%
Motor Vehicles	-	25%
Academic Gowns	-	5%
Buildings	-	2%
Computers	-	30%
Patent & Rights	-	20%

(d) Stocks

Stocks are stated at lower cost and net realizable value.

The cost of library books is written off to expenditure as incurred.

(e) Retirement Benefits

The university operates a defined contribution benefits scheme, Kenyatta University Pensions Fund, for its employees.

(f) Assets and liabilities held in foreign currencies

Assets and liabilities in foreign currencies are converted into Kenya shillings at the rate of exchange ruling at the transaction date.

(g) Grants and donations

Values for grants and donations related to property, equipment and other assets are estimated by the University or as advised by donors.

(h) Bad and doubtful debts

Provision of 10% is made on total debts as bad and doubtful of recovery.

2. PRINCIPAL ACTIVITY

The principal activities of the institution remain those of Teaching, Research and dissemination of knowledge.

3. EQUITY BANK LOAN

This is a long term loan repayable for a period of ten years at an interest rate of 10% per annum calculated on a reducing balance.

KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

30 JUNE 2012 (Continued)



NOTE 4: Government Grants

	2012 Kshs.	2011 Kshs.
A10001 Recurrent Grants	2,903,500,000	2,903,500,000
	2,903,500,000	2,903,500,000

NOTE 5: Tuition Fees

	2012 Kshs.	2011 Kshs.
A20001 Tuition Fees JAB	446,031,747	335,422,109
A20002 Tuition Fees SSP	2,216,792,148	1,557,542,999
A20003 Tuition Fees ICE	544,045,806	774,187,851
A20005 Tuition Fees Open Learning	195,242,866	154,881,100
A20007 Activity Fees	46,669,000	38,780,000
A20008 Examination Fees	174,366,000	140,397,000
A20009 Library Fees	20,517,000	16,745,500
A20010 Registration Fees	61,551,000	50,238,500
A20011 Identity Card	8,206,800	4,574,800
A20012 Medical Fees	81,884,476	66,982,000
A20013 Material Development Fee	135,412,200	110,520,300
A20015 Accommodation Fees JAB	54,641,670	54,328,855
A20016 Accommodation Fees SSP	14,185,000	17,164,706
A20017 Accommodation Fees I.C.E.	22,339,100	18,020,600
A20018 Accommodation Fees Open Learning		63,300
A20025 Tuition Fee - Chinese Language	16,417,692	3,826,906
A20026 Computer Fees	164,136,000	133,964,000
	4,202,438,506	3,477,640,525



Mombasa Campus



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 6: IGA and Other Income

		2012	2011
		Kshs.	Kshs.
a) IGA Income			
A20020	Regional Centre for Capacity Development	37,318,130	8,171,878
A30003-A30013	Catering	142,314,750	102,621,922
A30004-A30009	Cyber Café	30,373,492	29,926,076
A30003-A30017	KU Conference Centre	71,429,786	40,462,322
A30004-A40028	KU Funeral Home	22,271,290	14,570,647
A30003-A30017	North Coast Beach Hotel	122,227,455	82,678,084
A20021-A30016	Other IGAs	18,985,579	10,366,267
		444,920,482	288,797,196
IGA Expenditure			
K19001-K19019	Regional Centre for Capacity Development	11,199,627	1,383,283
K19001-K19525	Catering	205,903,029	133,580,363
K19001-K19039	Cyber Café	24,449,232	24,577,805
K19001-K19019	KU Conference Centre	17,971,750	17,439,726
K19001-K19018	KU Funeral Home	1,240,533	790,414
K19001-J18011	North Coast Beach Hotel	109,987,030	45,086,005
K19001-K19019	Other IGAs	918,349	448,068
		371,669,550	223,305,665
	Surplus	73,250,932	65,491,532



Community Outreach-Tree Planting

KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012



(Continued)

**NOTE 6
(Conts.)**

		2012	2011
		Kshs.	Kshs.
b) Other Income			
A20028	East Africa Games	184,540	25,668,847
A20031	Affiliation Fees	34,265	
A30014	Sale of Petrol	16,286,713	5,279,671
A30019	Hire of Hall & Conference Facilities	1,438,584	60,000
A40001	Convocation Fees	10,156,475	10,264,970
A40002	Hire of Gowns	424,200	
A40005	Tack Shop	816,254	1,581,323
A40007	Surcharge & Fines	159,225	184,187
A40008	Donations	8,236,552	64,850
A40009	Commission	6,294,999	5,811,444
A40011	Forex Gain		2,902,432
A40012	Interest Income	21,556,462	12,982,864
A40013	Sale Of Application Forms	28,845,738	27,723,100
A40014	Miscellaneous Income	36,035,417	28,007,603
A40015	Rent/Lease income	105,133,318	62,893,748
A40016	Health Unit	1,621,164	1,910,480
A40017	Sale Of Obsolete Items	356,535	197,760
A40018	Security Staff Charge	913,100	975,535
A40020	Dustbin Staff Charge	4,731	5,150
A40026	Assets Disposal		1,100,000
A40027	Sale of Tender Documents	1,736,735	5,354,228
A40028	University Bookshop Income	12,246,552	1,422,943
A40029	Culture week Income	560,354	285,500
A40030	Administrative Research Fees	6,530,707	13,846,008
A40032	Disability Day Income	15,000	
		259,587,620	208,522,643
Grand Total		332,838,552	274,014,175



Prof. Mugenda, VC. with Justice Ojuang, celebrating full accreditation and launching the Law School Moot Court



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

(Continued)

NOTE 7: Central Services

	2012	2011
	Kshs.	Kshs.
K19121 Advertising and Publicity	123,556,412	96,200,386
K19122 Inaugural & Public Lectures	251,180	356,730
K19123 Newspapers Magazines & Publications	6,769,795	4,276,960
K19125 Journal & Periodicals	801,297	5,318,569
K19126 Culture Week Expenses	6,383,937	6,802,041
K19127 Drugs Health Unit	23,319,912	30,139,535
K19128 Drugs Nairobi Hospital	19,780,830	18,618,827
K19129 Medical Reimbursement	9,056,689	5,924,864
K19130 Medical Insurance Inpatient Grades A and above	66,250,217	57,989,262
K19131 Hospitalization Grades I IV	71,560	409,738
K19132 Medical Referrals	12,714,968	16,307,562
K19133 Telephone And Postage	17,036,022	14,166,282
K19134 Electricity Expenses	168,636,575	130,081,903
K19135 Sanitary Services	7,513,857	6,867,254
K19136 Water Reticulation & Sewerage	51,837,125	54,721,272
K19137 Land Rent & Rates	2,250,394	1,028,616
K19138 Fumigation	8,052,335	4,705,500
K19139 Council Expenses	1,797,629	2,761,265
K19140 Public Celebrations	11,873,397	11,629,559
K19141 Bursary	44,300	3,512,000
K19142 Graduation Expenses	13,453,753	16,091,016
K19143 External Examiners Expenses	5,839,878	6,462,079
K19145 Staff Development & Training	1,896,920	1,495,659
K19146 Funeral Expenses	2,146,940	1,281,306
K19147 Insurance Premiums	54,771,728	36,375,267
K19148 Bank Charges	23,656,181	24,364,854
K19151 Provision for Bad & Doubtful Debts	2,382,012	(1,436,177)
K19152 Audit Fees	1,535,750	1,500,000
K19153 Professional Contracted Services	25,172,912	18,296,323
K19154 Ex gratia Payments	2,922,144	1,615,220
K19155 Fees Commission Awards & Honoraria	4,332,472	9,558,820
K19156 Rental/Hire Of Premises Expenses	7,107,394	12,439,101
K19157 Maintenance of Furniture & Equipment	12,396,751	16,575,616
K19158 Maintenance of Swimming Pool	1,798,893	2,022,871
K19159 Maintenance of Motor Vehicle	11,044,185	8,053,599
K19160 Minor Works & Alterations	34,839,660	143,773,750
K19161 Maintenance Of Hostels	399,970	10,234,653
K19162 Maintenance Of Residential Quarters	435,943	1,479,198
	744,131,916	782,001,280

KENYATTA UNIVERSITY



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

NOTE 7: Central Services (Conts.)

	2012 Kshs.	2011 Kshs.	
K19163	Maintenance Of Grounds & Roads Main	4,034,128	13,139,018
K19164	Maintenance Of Building & Stations Main	384,848,845	297,408,410
K19165	Maintenance of sewerage Main Campus	980,537	1,435,645
K19166	Maintenance Ruiru Campus	415,900	1,681,426
K19167	Maintenance Parklands Campus	317,467	14,588
K19168	Maintenance Mombasa Campus	682,567	208,460
K19169	Maintenance Kitui Campus	5,271,848	514,759
K19171	Medical Expenses Students	2,302,841	1,510,697
K19173	Bank Loan Interest	130,253,401	72,579,369
K19174	Bad Debts Written Off		1,160,358
K19175	Hire of Parking Bays	1,200,000	
K19200	Computerization & Networking	66,431,293	36,729,294
K19201	Motor Vehicle Fuel	43,280,258	32,879,166
K19203	CD Rom Subscription		25,560
K19204	Senate Affairs	555,310	1,257,806
K19207	Games & Tournament Other Campuses	3,044,388	1,951,415
K19208	Games & Tournaments Main Campus	4,531,361	4,663,143
K19209	E. A. University Games		21,407,646
K19210	Vice Chancellor's Committees	5,255,990	4,266,532
K19212	Endowment Fund	106,120	
K19213	Wellness Centre		39,734
K19214	Foreign Expenses	12,950,072	-
K19215	ISO Certification	3,629,758	1,640,216
K19216	Management Board Expenses	545,800	1,837,470
K19217	Hire Of Security	47,423,652	38,437,591
K19218	Hire of Sport Facilities	188,000	339,000
K19219	Clearing & Forwarding	28,820,064	9,378,852
K19220	Performance Contract	3,339,251	846,204
K19221	Board Room Supplies	305,961	-
K19222	Internet Connectivity	45,171,508	30,678,209
K19223	Sports Uniform		1,226,503
K19224	Lights & Electrical Accessories		342,196
K19225	Career Week	2,443,110	2,249,909
K19226	Library Journals	1,977,692	3,637,275
K19227	Interuniversity Games	1,933,750	427,600
K19228	SMS Account	-	-
K19229	Gym Maintenance	110,517	165,795
K19232	Online Teaching Odell		11,600
K19233	Academic Dress	906,200	1,673,150
K19234	Grant Writing & Mgt Office		32,450
K19235	Rented Accommodation	189,151	
K19236	Professional Boards Registration	340,000	360,513
K19237	Mentoring	1,110,882	1,226,444
K19238	KU Disability Service Office	303,184	64,146
K19239	Hire of Tents	3,999,766	2,378,790
K19240	Students Shuttle Services	13,735,259	8,791,173
K19241	Needy Students KUSA Support	99,600	
K19242	KU US Foundation	8,286,326	
K19245	Casual Task Force Off. Expenses	38,361	
K19246	Invigilation Expenses	900,750	
K19247	Centre of Capacity Training Expenses	2,762,800	
K19500	Conference Seminars & Workshops	10,476,157	8,859,983
K19501	External Travel & Accommodation	24,941,655	27,633,618
K19502	Local Passage And Baggage	1,414,272	2,077,352
K19503	Subscriptions	11,170,209	6,348,432
K19504	Jab Expenses	541,005	317,116
K19505	Postgraduate Stipend Expenses	8,595,484	4,682,173
		892,162,452	648,536,788



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 7: Central Services (Conts.)

	2012 Kshs.	2011 Kshs.
K19506 VC's Research Grants	833,131	1,587,082
K19507 Admission Expenses	4,401,049	4,596,836
K19508 Teaching Practice	23,960,000	24,217,796
K19509 Library Books & Journals	27,024,826	18,126,594
K19511 Library Stationery	252,150	2,391,871
K19512 Student Amenities	1,062,550	4,767,179
K19513 Practicum	9,418,539	8,396,342
K19515 Facilitation Of New Campuses		4,000
K19516 Public Complain Office	2,000	91,251
K19518 University Staff Student Education Support	5,903,247	15,189,976
K19519 Peer Counseling	2,477,063	2,064,898
K19520 Printing University Calendars Magazines	6,566,176	8,955,980
K19523 O.V.S		96,867
K19526 Summer Programme	2,947,065	4,273,424
K19527 Confucius Institute	6,878,360	6,280,620
K19529 KU City Campus		1,648,973
K19530 Kenya Military Collaboration	8,135,232	5,282,446
K19532 Short term courses /training	3,512,859	1,083,600
K19535 VAT/Tax Payment (Comcraft)	5,392,027	
K19537 Wellness Centre Conferences and Seminars	432,100	
K19538 Farm Expenses Kitui	381,500	
K20152 Depreciation Of Buildings ®	132,356,528	93,556,022
K20153 Depreciation Of Motor Vehicles	40,688,940	58,197,958
K20156 Depreciation Of Computer Hardware	18,188,649	35,594,463
K20158 Depreciation Of Furniture & Fittings	92,355,509	79,686,278
K20159 Depreciation Of Academic Gowns	327,588	327,589
	393,497,088	376,418,045
Total	2,029,791,455	1,806,956,112



KUSOL students at the Moot Court during the celebrations

KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012



(Continued)

NOTE 8: Administrative & Academic Departments

	2012 Kshs.	2011 Kshs.
J18001 Basic Pay	1,379,494,995	1,585,543,773
J18002 House Allowance	901,106,462	878,224,971
J18003 Entertainment Allowance	15,926,491	16,277,373
J18004 Headship/Directorship Allowance	33,655,430	21,667,511
J18005 Responsibility	41,950,943	45,755,186
J18006 Car Allowance	10,195,571	10,388,687
J18007 Domestic Servant Allowance Office	1,935,280	2,359,550
J18008 Commuting & Bus fare	162,393,269	110,135,020
J18009 Leave Travelling Allowance	33,841,578	20,953,755
J18010 Gratuity	70,768,830	62,662,413
J18011 Wages	320,114,653	273,433,120
J18012 Part Time Teaching	383,046,000	305,044,616
J18013 Bonus		23,028,059
J18014 Passage & Baggage	869,738	615,837
J18016 NSSF Employer Contributions	33,624,028	2,008,509
J18017 Telephone Allowance	17,547,709	17,098,095
J18018 Book & Computer Allowance	3,506,000	3,447,000
J18019 Exam Coordination Allowance	11,930,208	10,696,032
J18020 Acting Allowance	2,733,144	10,092,346
J18021 Electricity & water Allowance	3,138,782	3,307,953
J18022 Overtime	45,338,861	12,383,037
J18023 Pensions Employer Contribution	186,705,908	205,725,822
J18024 Health Risk Allowance	11,002,405	6,485,925
J18025 Special Readers Allowance Special Education	120,000	174,000
J18026 Terminal Benefits	21,383,313	12,579,282
J18027 Sitting Allowance	16,601,682	15,260,400
Total	3,708,931,279	3,655,348,272



Ruiru Campus

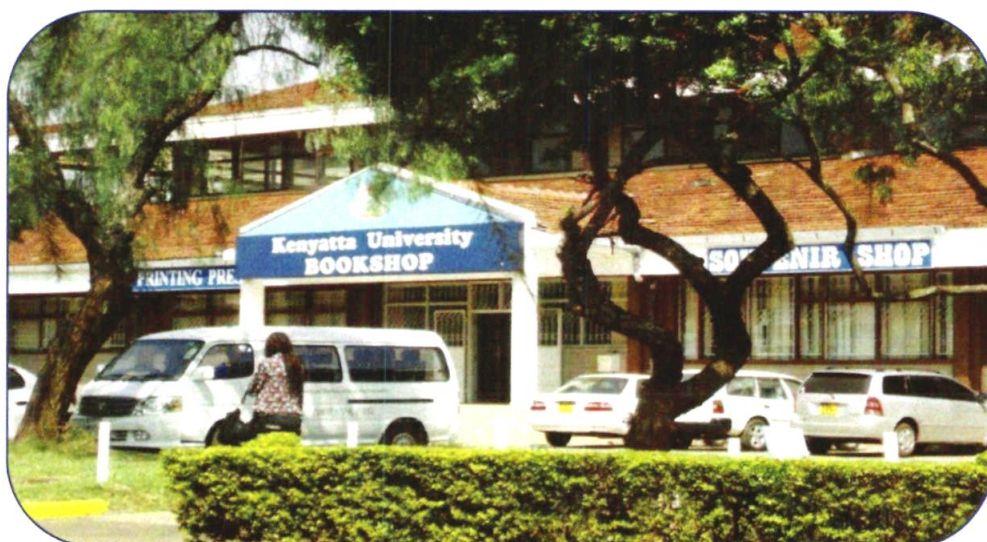


KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

(Continued)

NOTE 8: Administrative & Academic Depart-	2012	2011
	Kshs.	Kshs.
K19001 Stationery	99,331,383	41,237,851
K19002 Staff Uniforms	6,112,204	796,967
K19003 Photocopying & Printing	33,068,194	24,367,330
K19004 Cleaning Materials	32,905,061	17,252,618
K19005 Office Tea Expenses Office	4,145,477	3,888,218
K19006 Departmental Meetings	36,822,324	19,155,564
K19007 Other Office Consumables Office	23,010,537	27,362,066
K19008 General Office Equipment Office	8,280,424	27,500,705
K19009 Teaching Materials/Chemicals	16,233,205	10,883,875
K19010 Field Courses	23,592,061	22,725,007
K19011 Laboratory Glassware		635,254
K19012 Tools & Apparatus	374,495	1,178,562
K19015 Animal Feeds Sciences	493,107	327,800
K19017 Food Purchases	313,135	1,513,797
K19018 Travelling & Accommodation	38,868,754	37,674,804
K19019 Fuel & Gases	1,953,114	675,369
K19020 Purchase of Bicycle	71,180	132,800
K19023 Regional Expenses Open Learning	7,863,730	4,266,325
K19024 Writing Vetting & Production Of Modules	11,551,524	4,441,600
K19025 Rent for Regional Centres, Open Learning	7,878,896	1,751,356
K19027 Examination Stationery	967,435	7,859,262
K19028 Research and Travel Grants	5,658,550	5,106,506
	359,494,790	260,733,636
Total	4,068,426,069	3,916,081,908



Printing Press and Books and Souvenir shop



PROPERTY PLANT AND EQUIPMENT

	LAND	BUILDINGS	MOTOR VEHICLES	FURNITURE & EQUIPMENT	COM- PUTERS & SOFT- WARE	PATENT & RIGHTS	ACADEMIC GOWNS	CAPITAL WORK IN PROGRESS	TOTAL	TOTAL
	KSHS		KSHS	KSHS	KSHS	KSHS	KSHS	KSHS	KSHS	KSHS
DEPRECIATION RATES	0%	2%	25%	10%	30%	20%	5%		2012	2011
COST / VALUATION										
As at 1st July										
2011	911,430,671	5,116,596,481	232,791,831	796,862,780	118,648,210	7,830,375	6,551,780	1,542,550,502	8,733,262,629	7,091,812,930
Additions	1,820,426	3,385,993	62,931,946	126,692,309	4,215,872			795,332,948	994,379,494	1,646,143,629
Adjustment	87,759,083	(87,759,083)							-	
Capitalization		1,585,603,017						(1,585,603,017)	-	
Disposal										(4,693,930)
As at 30th June										
2012	1,001,010,180	6,617,826,408	295,723,777	923,555,089	122,864,082	7,830,375	6,551,780	752,280,433	9,727,642,123	8,733,262,629
PROVISION FOR DEPRECIATION										
As at 1st July										
2011	-	729,447,073	230,110,859	514,239,664	98,209,124	7,830,375	4,098,956		1,583,936,050	1,320,311,227
Charge for the										
Year (R)	-	132,356,528	40,688,940	92,355,509	18,188,649	-	327,588		283,917,214	267,362,310
Accumulated Depreciation on Assets Dis-										
posed										(3,737,486)
As at 30th June										
2012		861,803,601	270,799,799	606,595,173	116,397,773	7,830,375	4,426,544		1,867,853,264	1,583,936,051
NET BOOK VALUE AS AT :										
As at 30th June										
2012	1,001,010,180	5,756,022,807	24,923,978	316,959,916	6,466,309	-	2,125,236	752,280,433	7,859,788,859	7,149,326,578
As at 30th June										
2011	911,430,671	4,378,373,500	2,680,972	282,623,116	20,439,086	-	2,452,824	1,542,550,502	7,140,550,671	5,771,501,704



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

		(Continued)	
		2012	2011
		Kshs.	Kshs.
NOTE 10: Capital Fund			
B11001	Balance as at 1st July 2011	1,814,247,983	1,709,247,983
	Government Capital Grants	40,000,000	105,000,000
	Other Capital Grants	12,500,000	
	Balance as at 30th June 2012	1,866,747,983	1,814,247,983
		2012	2011
		Kshs.	Kshs.
B11002	Revenue Reserve		
	Balance as at 1st July 2011	4,176,136,406	3,244,019,726
	Surplus for the Year	1,340,559,532	932,116,680
	Revenue Reserve	5,516,695,938	4,176,136,406
B11004	Revaluation Reserve	28,721,234	28,721,234



VC addresses students during Matriculation in the Amphitheatre

KENYATTA UNIVERSITY



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

NOTE 11: Inventories		2012	2011
		Kshs.	Kshs.
H17001	Finance Store Stationery	-	5,413,387
H17002	Maintenance Store	44,558,168	22,220,399
H17003	Health Drugs Store	3,244,065	2,711,769
H17004	Petrol Stock	1,855,370	2,685,964
H17005	Food Stuff	7,832,913	5,051,941
H17006	Finance Store General	4,851,377	847,694
H17007	Accommodation	689,571	1,563,198
H17009	Culture Village Store	1,198,380	1,078,210
H17010	Ruiru Campus Maintenance Store	2,522,456	2,942,063
H17012	Bookshop Store	13,715,568	9,565,739
		80,467,868	54,080,364

NOTE 12: Short Term Deposits		2012	2011
		Kshs.	Kshs.
G16001	National Bank Of Kenya	104,438,356	73,744,886
G16002	Co-operative Bank	31,257,534	
G16004	NBK Ruiru	22,666,718	21,587,650
G16005	NBK Kenyatta Avenue	15,824,565	16,203,854
G16007	Equity Bank	227,920,186	46,736,755
		402,107,360	158,273,144



KU BSSC



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

(Continued)

NOTE 13: Cash and Bank Balances		2012 Kshs.	2011 Kshs.
F15003	Equity Bank - TOWA Project	1,353,507.28	1,353,507.28
F15004	Cash In Hand - North Coast Beach Hotel	-	179,545
F15005	Equity - North Coast Beach Hotel	8,753,014	8,370,493
F15006	Equity Community Outreach	15,022,795	932,503
F15010	NBK Fees A/C No. 0359150801	13,111,584	1,445,283
F15011	Std Fees Collection A/C No. 2018814400	1,886,546	890,961
F15012	Std Dollar A/C No. 8702018780000	14,164,985	13,378,255
F15013	NBK Payments A/C No. 0359002400	17,825,376	2,084,505
F15014	NBK Tuition A/C No. 0359150800	1,936,586	741,381
F15015	NBK Research A/C No. 2110781300	1,456,775	22,484,555
F15016	NBK Aicad A/C No. 2110781400	4,119,497	3,499,635
F15017	NBK Harambee A/C 0310891603 (Capitation)	96,945,639	0
F15018	KCB AVU	10,084,088	4,410,143
F15019	Co op Fees Collection A/C No. 0112962461400	3,552,684	4,354,436
F15020	Std Pound A/C No. 2802018780000	5,061,366	5,340,898
F15021	Cash In Hand	2,314,494	998,200
F15022	Equity Fees Collection A/C No. 0290518859	4,596,145	4,171,646
F15023	Equity Bank Mombasa Branch	70,805,135	0
F15025	KCB Fees Collection A/C No. 099 250 640 601	1,466,798	845,566
F15026	Standard Chartered Euro A/c 9302018780000	1,340,908	
F15027	Equity - NCBH Dollar	246,288	6,958,556
F15028	Equity - NCBH Euro	83,568	2,185,333
F15030	NBK Euro Ruiru Research Grant	151,940	
F15031	KU Shuttle Bank A/c No. 1130296769655	6,288,541	874,750
F15032	KU Meals Bank A/c No. 1130296626107	698,469	307,647
F15033	KU Application Bank A/c No. 1130296626073	3,667,251	31,950
F15034	KU Rental Income A/c No. 113029701357	1,077,744	
F15035	Equity Bank Referral Hosp. A/c 1130298198	20,000,000	
F15036	NIC Bank A/c 1 200 008253	26,003,447	
F15037	Equity Bank A/c 1130199002464	7,418,163	
		341,433,332	85,839,747
	Overdraft		
F15017	NBK Harambee A/C 0310891603 (Capitation)		19,051,629
F15023	Equity Bank Mombasa Branch		54,514,217
		-	73,565,845

KENYATTA UNIVERSITY



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

NOTE 14: Trade & Other Receivables

	2012	2011
	Kshs.	Kshs.
C12020 SAYE		6,001
C12026 Staff Loan		14,089
M21003 Guarantee Deposits	16,339,962	11,314,562
M21006 Staff Debtors	7,293,020	5,890,869
M21007 Student Fees Arrears	64,825,141	43,220,978
M21008 Sundry Debtors	55,490,186	73,972,161
M21010 Imprest Control	29,176,320	41,369,329
M21012 Imprest Research	38,238,975	46,836,425
M21021 Staff Welfare Recoveries	89,570	40,200
M21026 Prepayment Bookshop Books	-	3,552,258
M21027 Debtors-NCBH	38,583,818	
Total	250,036,992	226,216,871
B11014 Provision For Bad Debts	(25,003,699)	(22,621,687)
	225,033,293	203,595,184



Chandaria Innovation Centre



KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012

		(Continued)	
		2012	2011
		Kshs.	Kshs.
NOTE 15: Trade and Other Payables			
B11015	Provision For Audit Fees	1,500,000	1,500,000
C12001	Pay As You Earn	53,367,098	56,506,271
C12002	NHIF	859,360	848,240
C12003	NSSF	1,764,501	328,001
C12004	Pension	23,509,707	26,017,370
C12005	Students Caution Money	186,676,000	67,696,000
C12007	Vat	2,618,524	5,630,545
C12008	Court Attachments	21,601	32,273
C12010	Fees Paid In Advance	82,960,135	128,631,824
C12011	Nairobi City Council	-	13,982
C12013	Insurance Claim	1,134,302	611,461
C12015	Withholding Tax	1,423,465	1,048,653
C12020	Welfare Deductions	5,526,784	5,238,005
C12021	Hire Purchase	26,026	31,775
C12022	Insurance Deductions	4,753,053	3,538,759
C12023	Cooperative Deductions Cooperative	9,545,268	43,107,224
C12024	Students Clubs	422,786	5,101,365
C12025	Other Salary Deduction	2,038,610	1,009,975
C12026	Staff Loans Deductions	1,042,790	908,423
D13002	Endowment Fund	60,426,479	60,426,479
D13003	Marsabit Project Grant Ford Foundation	-	7,298,555
D13004	Orphans & Vulnerable Students Fund (OVS)	7,329,658	6,899,690
D13005	Quality Of Life Study	2,263,000	2,263,000
D13006	Alumni Contributions	2,250	711,770
D13007	Rent Deposits Nakuru	119,400	300,900
D13011	Donations - Centre For Career Dev. & Placement	-	2,292,000
D13012	Confucius Institute Fund	19,486,531	19,486,531
D13013	Debtors Overpayment	104,780	91,824
D13014	Community Outreach	4,108,830	3,054,101
D13015	KU Student Laptop	2,120,816	2,120,816
E14001-105	Research Fund	171,648,640	165,186,356
M21002	KU Staff Fees Recovery	2,050	
L20001	Hospitals	3,326,668	3,964,103
L20002	Drug Suppliers	4,116,808	6,339,906
L20003	Referral Doctors	2,458,811	2,640,102
L20004	General Creditors	215,243,485	239,195,731
	Sub-Total	871,948,214	870,072,009

KENYATTA UNIVERSITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2012



(Continued)

NOTE 16: Long Term Liabilities		2012 Kshs.	2011 Kshs.
L20005	Equity Bank (MSA Campus) Loan 2007 B/F 1.7.2011	28,960,766	66,663,421
	Repayment	(28,960,766)	(37,702,655)
		-	28,960,766
L20006	Equity Bank (City Campus) Loan 2010	659,410,775	704,386,183
	Repayment	(34,693,431)	(44,975,408)
		624,717,344	659,410,775
	Loan Balance	624,717,344	688,371,541



KU Outdoor (Team Building) Center and Campsite

Find us on the Thika Superhighway



Cover page pictures, from top left to right:

- 1) North Coast Beach Hotel
- 2) VC congratulating winners of the National Drama Festival 2012
- 3) KU Main Campus Gate at night
- 4) Main Campus sign post
- 5) The Chancellor and Senior Officers of the University receive the Kenyatta University Charter from H.E the President



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