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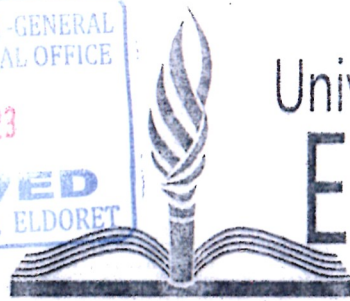
ON

UNIVERSITY OF ELDORET

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

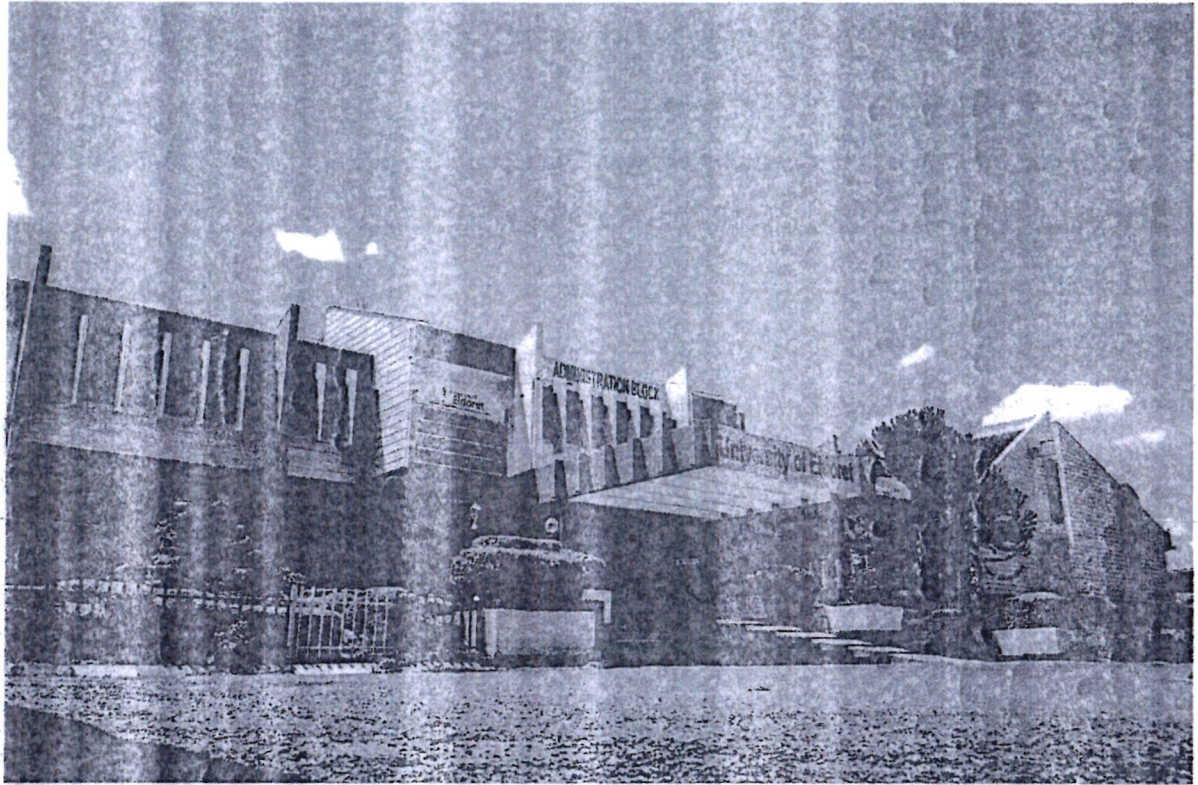


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University of
Eldoret

flame of knowledge and innovation



UNIVERSITY OF ELDORET

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Financial Year Ended June 30, 2022

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

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University of Eldoret

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The University of Eldoret was founded in 1946 by the white settlers as a Large-Scale Farmers Training Centre. In 1984, it was converted to a teacher training college – Moi Teachers. It became a campus of Moi University in 1990 – Chepkoilel Campus and was established as a Constituent College in August 2010, through Legal Notice No. 125. It became a fully-fledged University after being awarded a Charter on 11th February 2013 by the then President of the Republic of Kenya His Excellency Mwai Kibaki and became the 14th public University in Kenya. The University is represented by the University Council, through the Vice-Chancellor who is responsible for the general policy and strategic direction of the University.

(b) Principal Activities

The Core business of the University as provided by the Universities Act 2012 of the Laws of Kenya includes:

1. Teaching, Research and Technology Innovations
2. Corporate social responsibility and Promotion of social fairness
3. Cooperation with Government in the planned development of university education
4. Advisory and consultancy services

Vision: A premier University that nurtures global Leaders and Innovators.

Mission: To provide high quality education and training, research and consultancy in Science, Agriculture and Technology to meet the needs and aspirations of a dynamic society.

Core Values: At University of Eldoret, we are committed to:

1. Integrity;
2. Innovativeness;
3. Customer satisfaction;
4. Competitiveness;
5. Equity;
6. Responsiveness; and
7. Inclusivity.

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Objectives and Functions

1. To enhance quality of teaching and learning;
2. To position the university as a research centre;
3. To improve governance and corporate image;
4. To attract and retain competent human resource;
5. To develop and maintain physical and technological infrastructure;
6. To strengthen resource mobilization and utilization;

Quality Policy Statement: University of Eldoret is committed to providing quality higher education through teaching, research, outreach and consultancy services that meet and exceed the expectation of all interested parties, comply with ISO 9001:2015 standard and applicable statutory and regulatory requirements and continually improve the quality management systems effectiveness through periodical reviews at appropriate levels.

(c) Key Management

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

1. University Management Board (UMB);
2. University Senate; and
3. University Deans Committee.

(d) Fiduciary Management

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

No.	Designation	Name
1.	Vice-Chancellor	Prof. Teresa A. O. Akenga
2.	Deputy Vice Chancellor (A&F)	Prof. Wilson Ng'etich
3.	Deputy Vice Chancellor (ASA)	Prof. Ruth N. Otunga
4.	Deputy Vice Chancellor (PRE)	Prof. Philip Raburu
5.	Registrar (Academic)	Prof. Paul K. Tarus
6.	Ag. Registrar (Administration)	Francis Ikapel Omete
7.	Registrar (Planning)	Dr. Benjamin Mwasi
8.	Ag. Finance Officer	CPA Ereu Totona
9.	Senior Legal Officer	Mr. Stephen Anditi

University of Eldoret

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(e) **Fiduciary Oversight Arrangements**

The key fiduciary oversight arrangements exist between the University and the organs listed below:

1. Audit and Risk Management Committee of Council
2. Ministry of Education
3. Parliamentary Investment Committees (PIC) and Education (PCE)
4. Public Procurement and Regulatory Authority (PPRA)
5. Ethics and Anti- Corruption Commission (EACC)
6. Office of the Audit General (OAG)

(f) **University Headquarters**

P. O. Box 1125 - 30100
Chepkoilel/Eldoret-Ziwa Road/Off Iten Road
Eldoret, KENYA

(g) **University Contacts**

Telephone: (254) (0) 5363111, (254) (0) 532033712, (254) (0) 532033712

E-mail : vc@uoeld.ac.ke

Website: www.uoeld.ac.ke

(h) **University Bankers**

- | | |
|--|--|
| 1. National Bank of Kenya Ltd
Eldoret Branch
P.O. Box 3111 - 30100
Eldoret, Kenya | 2. Kenya Commercial Bank
Eldoret West Branch
P.O. Box 5197 - 30100
Eldoret, Kenya |
| 3. Standard Chartered Bank Ltd
Eldoret Branch
P.O. Box 7 - 30100
Eldoret, Kenya | 4. Equity Bank Ltd.
Eldoret Branch
P.O. Box 2210 - 30100
Eldoret, Kenya |
| 5. Co-operative Bank of Kenya Ltd
Eldoret Branch
P.O. Box 2948 - 30100
Nairobi, Kenya | |

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- (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
Harambee Avenue
P. O. Box 40112
City Square 00200
Nairobi, Kenya

University of Eldoret

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PERFORMANCE AT A GLANCE

Figure 1: Our Revenue in Brief

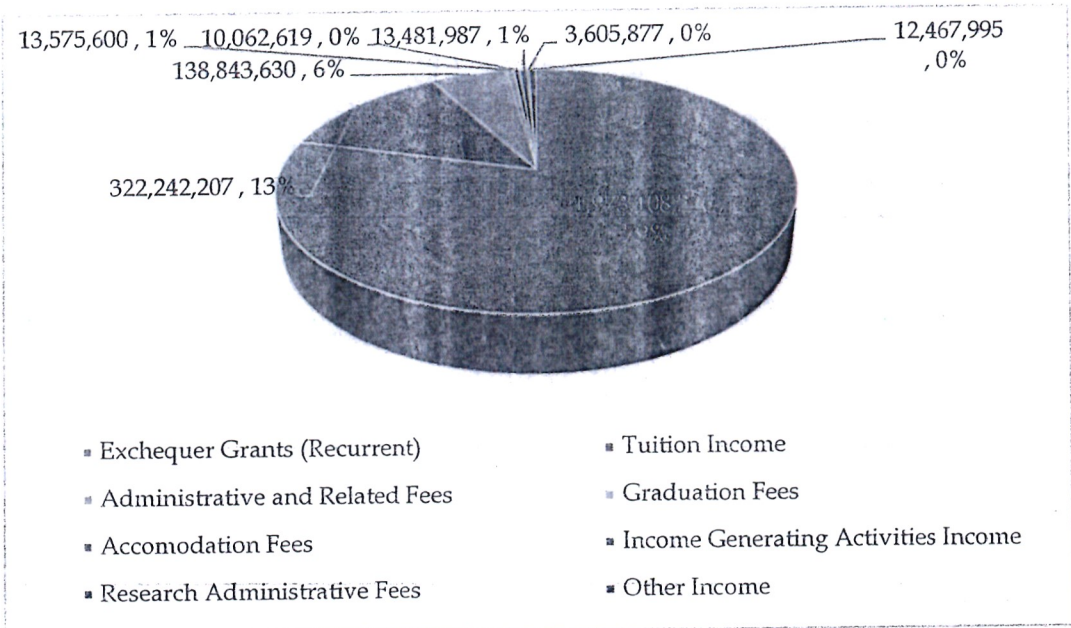
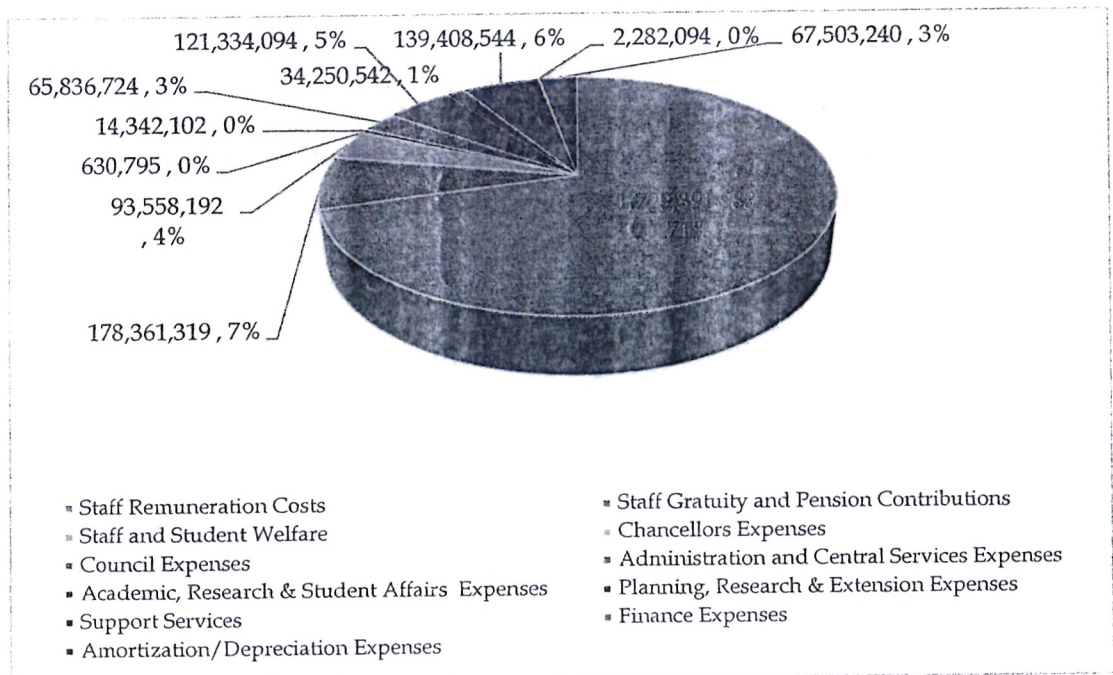


Figure 2: Allocations/Expenditure in Brief



2. THE UNIVERSITY COUNCIL



Dr. Ismail Buro Hassan

(DoB -1957)

Dr. Hassan is a seasoned Educationist specialising in Education Administration, research, advocacy, policy formation, monitoring & evaluation, and management of Educational Institutions. He served as Secretary to Garissa County Taskforce on Improving Education Standards in 2017/2018, Deputy Director and Head of Management Development (Capacity Development) at Kenya Education Management Institute (KEMI) from 2014 to 2016, KEMI Regional Training Coordinator for North Eastern and Coast Regions from 2011-2013. He also served as a Provincial Director of Education, DEO, Education/Quality Assurance and Standards Officer, Teacher Trainer and a Teacher.

He holds a Doctorate Degree in Business Administration (JKUAT), Masters of Business Administration (Strategic Management) (KEMU), Master of Arts in Education and International Development (London) and Bachelor of Education from University of London. He has also attended several professional courses in Performance Management, Strategic Leadership Development Program, Education Management and Financial Management. Dr. Hassan is currently a Member of Kenya Association of Public Administration and Management (KAPAM) and The North Eastern Muslim Welfare Society. He has also published and reviewed several Peer Review Academic Papers for Publication at African Educational Journal

Prof. Teresa A. O. Akenga has served previously as the DVC (Academics, Research and Extension) at the Management University of Africa and the Deputy Principal (Academic Affairs) at Bondo University (now JOOUST). She was an Associate Professor of Organic Chemistry at Kigali Institute of Science and Technology, Rwanda. She served as a lecturer and a Senior Lecturer in Chemistry Department teaching Organic Chemistry. Prof. Akenga holds a Ph.D in Organic Chemistry from University of New South Wales in Australia, MSc in Chemistry and B.Ed (Sc.) in Chemistry both from KU and an MBA (Corporate Governance) from KCA University.



Prof. Teresa A. O. Akenga,
(DoB - 1963)

She is the current Vice-Chairperson, Forum for African Women Vice Chancellors (FAWoVC). She was a member of the Executive Committee of the Inter-Universities Council of East Africa (IUCEA) and was also a representative of Vice-Chancellors at the Board of Kenya School of Government from July 2017 to July 2020. She was awarded "The Moran of the Order of the Burning Spear" (MBS) by the President of Kenya, H.E. Uhuru Kenyatta in 2013 in recognition for her contribution to training, research and curricula development. In year 2020 she was honoured with a Women in Education Leadership award for her role in overseeing the University towards a global outlook.



Dr. Beryl Namalwa Mutekhele

(DoB -1963)

Dr. Beryl is an eminent professional and Educationist who has served as County Executive Committee Member (CEC) of Education, Youth Affairs and Sports for Bungoma County (2013 to 2017), Principal, Lugulu Girls and Namawanga Girls. As CEC, she steered Bungoma county to position one in devolved functions of education in Kenya and chaired the Education CECs' caucus at the council of governors for five years. Beryl has also taught at the University of Nairobi's Kitale campus as a part-time lecturer and also served as a senior examiner for KNEC.

Beryl is extensively trained in Education administration, with Ph.D. and M.A in Project Planning and Management, specializing in monitoring and evaluation from University of Nairobi, B.Ed (Science) Maths/Physics from Egerton University and Dip (Science) (KSTC). She has excellent leadership and management expertise backed with vast hands-on experience in government governance as well as sound knowledge of related organizational policies, administrative systems and procedures. As a team player, she works well with others in meeting and achieving results. She has been involved in consultancy work and published research articles in international journals.

Hon. Jire has over 6-year experience in finance, public administration, asset management, human resource management, politics and governance blended with strong sense of integrity and personal commitment. He served as the Deputy governor Tana River County between the years 2013-2017, in the year 2012 he served as the logistics officer Kenya red cross society and was the relationship officer operations at Equity bank Kenya in the year 2011. He has Master of **Business Administration (MBA) in Strategic Management**, Mount Kenya University, Kenya, 2015 and **Bachelor of Education Arts**, University of Nairobi, Kenya, 2011.



Hon. Jire Siyat Mohamed

(DoB - 1987)



James Mwangi Kiburi

(DoB -1965)

Mr. James Mwangi Kiburi holds a Bachelor of Education (Science) Degree from Kenyatta University as well as Master of Philosophy (MPhil.) in Educational Psychology from Moi University. He is currently pursuing a PhD in Educational Psychology at Maasai Mara University. Currently he is a Deputy Director of Education in the Ministry of Education, State Department for University Education and Research. He also served as Acting Director of Higher Education for over two (2) years from March 2016 to September, 2018

He has worked with the Ministry of Education in various capacities and duty stations since 1999 to 2020. He previously worked with the City Council of Nairobi as Senior Education Officer and Assistant Director of City Education from 2002 to 2007 and Teachers Service Commission (March 1990 - January 1999) as Secondary School Teacher and Deputy Head Teacher at Simotwo High School and Mukoe Secondary School respectively.

Kihunyu Gitogo is a career accountant currently serving as the Finance Director at Equitorial Nut Processors & Pioneer Group of Schools. He has previously served at Jomo Kenyatta University of Agriculture and Technology as the Finance Officer, Management Accountant at Kenol/Kobil and Nairobi Bottlers Ltd as well as an Auditor at Price Waterhouse CPA(K).

He Holds an MBA (Finance) from University of Nairobi and a Certified Public Accountant of Kenya (ICPAK). He is a member of ICPAK and serves as secretary of Kingsize Sacco.



John Kihunyu Gitogo

(DoB - 1968)



Joseph Ole Nkamasiai

(DoB -1972)

Nkamasiai is an accomplished and energetic program and organizational development specialist with a solid community development track record in areas of program design, development, advocacy work and policy influence. He is motivated leader with strong organizational and prioritization abilities. Areas of expertise include project cycle management, Trainer of Trainers in governance, leadership, organizational capacity building, people skills, problem solving and cross-cultural influencing.

He has a cumulative 17 years' experience in directorship, senior management and middle level in program design and management with African Indigenous Agency for Development (AIAD), AICCAD, IEBC, Child Fund Kenya, Family Health International and Action Aid International. He also worked as a research assistant with Elimu Yetu and as a teacher at St. Mary's High School Narok. He holds a M.A in International Relations from USIU and B.Ed Arts from Kenyatta University. Currently he is pursuing M.A Project Planning & Management from University of Nairobi.

Momanyi is aspiring Senior Administrator in an Academic Institution and seeking to contribute to a world class Leadership. A holder of MBA-Strategic Management with a six-year Teaching and Research experience at Kisii University and Jomo Kenyatta University of Agriculture & Technology and a seven-year Customer Advisory and Marketing experience with Barclays Bank of Kenya. He holds an MBA-Strategic Management (JKUAT), Bachelor of Philosophy from Pontifical Urbaniana University.



Sixtus Momanyi Ondieki

(DoB -1976)

Currently, pursuing Ph.D (Business Administration) from Jomo Kenyatta University of Agriculture & Technology. He has several publications customer relations and staff training among others in International Journals.



Mr. Archer Arina Omollo

(DoB -1972)

Mr. Archer Arina Omollo is an intellectual, resourceful, Technology Economist and Management minded professional with Teaching and Education management experience. He possess strong analytical, project management and report writing skills, proven record on supervision of programmes, quality assurance assessment and guidance on prioritization of projects, strengthening systems and integration of IT in Education Capable of Creating Linkages and soliciting for training opportunities, scholarships and funding from donors.

He began his career as a Science Teacher, rising through the ranks to DDE, Senior Education Officer, Assistant Director, Senior Assistant Director to present Deputy Director in Technical Training. He holds an MSc Technological Economy & Management from Southwest Jiaotong University China, BSc Agricultural Education & Extension from Egerton University and several other short course training in Strategic Leadership Development Programme (KIA), TIG training (JICA, Japan), Senior Management Course (KIA) among others. Mr. Achar has vast skills in strategic leadership and development programme expert capable of leading and coordinating international and national teams to deliver on assigned projects as demonstrated by T-I-G, KAIST, NCIP, EASTRIP, and culture of peace projects of JICA and ADEA respectively. A team leader and technical advisor both at national and regional levels, having held management positions of leadership in past assignments. He is IT compliant with knowledge on development of concept notes and initiation of projects as well as negotiations at international, country and county levels. He has effectively and competently represented his superior in boards/ councils / meetings conferences and meetings.

Ms. Elizabeth Mkandoe Shungula is a career accountant currently serving as the Assistant Director Investments/GIPE. She is the alternate member/representative of the CS, National Treasury. Ms. Shungula has over 17 years' experience in the accounting profession 13 of which she has served in various capacities at The National Treasury raising from a District Accountant to Assistant Director. She also served at Family Bank Ltd and Solar World (E.A.) Ltd.



Ms. Elizabeth Mkandoe Shungula

(DoB - 1978)

Ms. Shungula hold a MBA(Finance) from KEMU, B.Com (Accounting) from Daystar University and Certified Public Accountant of Kenya (ICPAK). She also attended Academy for International Business Officials in China representing PDMO directorate in China on Foreign Aid policies training, Kenya School of Government Embu class president, Mombasa National Polytechnic and Bahari College.

3. MANAGEMENT TEAM



**Prof. Teresa A. O. Akenga,
Vice Chancellor**

Prof. Teresa A. O. Akenga has served previously as the DVC (Academics, Research and Extension) at the Management University of Africa and the Deputy Principal (Academic Affairs) at Bondo University (now JOOUST). She was an Associate Professor of Organic Chemistry at Kigali Institute of Science and Technology, Rwanda. She served as a lecturer and a senior lecturer in Chemistry Department teaching Organic Chemistry. Prof. Akenga holds a Ph.D in Organic Chemistry from University of New South Wales in Australia, MSc in Chemistry and B.Ed (Sc.) in Chemistry both from KU and an MBA (Corporate Governance) from KCA University. She is the current Vice-Chairperson, Forum for African Women Vice Chancellors (FAWoVC).

She was a member of the Executive Committee of the Inter-Universities Council of East Africa (IUCEA) and was also a representative of Vice-Chancellors at the Board of Kenya School of Government from July 2017 to July 2020. She was awarded "The Moran of the Order of the Burning Spear" (MBS) by the President of Kenya, H.E. Uhuru Kenyatta in 2013 in recognition for her contribution to training, research and curricula development. In year 2020 she was honoured with a Women in Education Leadership award for her role in overseeing the University towards a global outlook.

Prof. Wilson K. Ng'etich is an Associate Professor in Soil Science and the Deputy Vice-Chancellor (Administration and Finance). He holds a Doctorate Degree in Agricultural Water Management from Cranfield University, United Kingdom, Master of Science and Bachelor of Science in Physics from University of Nairobi. He joined the then Chepkoilel Campus of Moi University as a Senior Lecturer in the Department of Soil Science in 2007, having worked at the Tea Research Foundation of Kenya as a senior scientist for 18 years, leaving when he was the Principal Research Officer.



**Prof. Wilson K. Ng'etich
DVC (AF)**

He served as the Head of Department of Soil Science from October 2008 till his appointment as acting Director Town Campus in August 2016. He continues to be active in research, with current research interests in degraded lands. He has supervised and examined a number of postgraduate candidates within and outside Kenya. He is a member of the Institute of Physics (UK), the Soil Science Society of East Africa and the Environment Institute of Kenya.



Prof. Ruth N. Otunga
DVC (ASA)

Prof. Ruth N. Otunga is a Professor of Education (Curriculum Studies) and the Deputy Vice-Chancellor (ASA). She holds B. Ed. (Home Economics) from UoN, M. Ed and PhD in Curriculum Studies from KU and MI respectively. Prof. Otunga has served under the Teachers' Service Commission as a teacher and lecturer. She has worked at MU as a lecturer, head of Department, Dean of School of Education and Deputy Principal (ASA) at the then Chepkoilel University College. She has published books, book chapters and articles in refereed journals. She is a member of the Assn. for African Women for Research and Development (AAWORD) and Assn. for Third World Studies, Kenya. She is a Vice President of the Organization for Social Science Research in Eastern and Southern Africa (OSSREA) and a Chair of the Regional Academic Advisory Board on Africa Centres of Excellence II (ACE II).

Prof. Phillip Okoth Raburu is an Associate Professor and the Deputy Vice-Chancellor (Planning, Research and Extension). He holds a Doctorate Degree in Environmental Studies from Moi University, Master of Science in Hydrology and a Bachelor of Science in Botany and Zoology from University of Nairobi. He lectured in Siriba Teachers College, Kisii Teachers College and Ramogi Teachers College before joining Moi University as an Assistant Lecturer then grew through to be a Senior Lecturer at University of Eldoret and the immediate former Head of the Department of Fisheries and Aquatic Sciences. He teaches post-graduate courses



Prof. Phillip Okoth Raburu
DVC (Planning,
Research and Extension).

and supervises research work for post graduate students.

He is a member of the World Aquaculture Society, Victoria Institute for Research on Environment and Development International, Society of Wetlands Scientists, East African Natural History Society, Water Quality International, Panafrican Fish and Fisheries Association and East African Water Association (Kenya Chapter). He has written several publications and received research awards in the field of Wetlands Aquaculture.



Prof. Paul K. Tarus
Reg. Academics

Prof. Paul Kipkosgei Tarus is an Associate Professor and the Registrar-Academic. He holds a Ph.D in Natural Product Chemistry, MSc in Chemistry and a BSc in Chemistry and Physics, all from Kenyatta University and Post-Doctoral Studies at the University of Natal, Durban, South Africa. He has initiated collaborations between the UoE and the North Rift Herbalists Association, the Pyrethrum Board, Tianjin University of Chinese Traditional Medicine, the University of Western Capo in South Africa and the University of Free State, Bloemfontein, South Africa. He is a member of the Kenya Chemical Society, Natural Products Research network of East and Central Africa (NAPRECA), Claude Ake Scholars' Association and Kenya DAAD Scholars' Association. Prof. Tarus has written several publications and been granted research awards in his field of Chemistry.

Francis Ikapel Omete holds a Bachelor of Education (Arts) degree from University of Nairobi, Specializing in Economics and Mathematics, Master of Business Administration (MBA) from Jomo Kenyatta University of Agriculture and Technology (JKUAT) specializing in Finance and is a Certified Public Accountant -CPA (K). He previously worked as Accountant I and then Senior Accountant with the Ministry of Finance-The Treasury, GoK for over five years gaining substantial administrative experience. He also worked as fund account manager for the National Government Constituency Development Fund Board (NG-CDF). He holds the international



computer driving license (ICDL) and is currently pursuing his PhD in finance and lectures accounting and finance at university of Eldoret. He has also lectured accounting and Finance in Jomo Kenyatta University of agriculture and technology (JKUAT), Catholic University of Eastern Africa (CUEA) and Mt. Kenya University.



Dr Benjamin Mwasi
Reg. Planning

Dr. Benjamin Njore Mwasi is the Registrar-Planning. He is a Registered Environmental Impact Assessment / Environmental Audit (EIA/EA) lead expert and practicing GIS expert. Dr. Mwasi holds a Ph.D in Environmental Science from the University of Amsterdam, MA in Geography from Carleton University, Ottawa and a BSc in Surveying and Photogrammetry. He has written several publications and presented conference and seminar papers. He has served as a Senior Lecturer and Head of the Department Environmental Monitoring, Planning and Management, lecturer in the School of Environmental Studies at Moi University and a lecturer in the Geography Department at Egerton University. He worked at the Ministry of Lands and Housing (Survey Department) in several capacities.

CPA. Ereu Kibon Totona is the Ag. Finance Officer. He holds a Masters of Business management (Accounting) and a Bachelor of Arts (Technology & Management Studies) both from Moi University. He is a member of the Institute of Certified Public Accountants (K) and a member of the Institute of Investment and Financial Analyst. An accountant by profession, he has served in both the public and private sector in various capacities. He was the Deputy Finance Officer at University of Eldoret, a Senior Accountant at Moi University and Senior Account Assistant at Moi University Holdings. He served as the Ag. Finance officer at Kabarak University and an Accountant at Kenya-Finland Development program - FINNIDA.



CPA. Ereu K. Totona
Ag. Finance Officer



Mr. Anditi is the Senior Legal Officer. He is an Advocate of the High Court of Kenya. He holds a Bachelor of Laws from Nkumba University, Uganda, a Post-Graduate Diploma from Kenya School of Law and a Diploma in Legal Studies from the Institute of Commercial Management. He also holds Masters of Laws Degree (Corporate Law, Banking and Securities). He has served in the Supreme Court of Kenya as Legal Counsel Office of the Deputy Chief Justice and Vice-President of the Supreme Court and as litigation Counsel with M/S, Nyairo and Company Advocates in their Nairobi and Eldoret offices. He is chartered arbitrator and member with the Institute of Chartered Arbitrators UK and Kenya and a certified mediator with the Kenya Judiciary.

4. CHAIRMAN'S STATEMENT

University of Eldoret was chartered on 11th February 2013, as a young vibrant University dedicated towards enhancing Agriculture, Aquaculture and Innovativeness. Through the collective effort of the University Council, University Management Board, University Staff and our key stakeholders, we have managed to chart the way forward for the University by adhering to the Vision, Mission and Core Values which have been the guiding principles of our University. I wish to applaud all of you for your dedicated efforts and support throughout this entire period, as we strived amidst challenges of inadequate funding, manpower and infrastructure to achieve this fete. I therefore, encourage you to continue with this dedication. Thus, it is with great pleasure to present to you this Annual Report for the Financial Year ended 30th June, 2022. Below find a brief summary of key areas we wish to highlight as a University in the year under review:

Strategic Plan

I am happy to report that during the year; the University was committed to the implementation of our ambitious Strategic Plan 2019-2024 through the annual workplans and signed performance contract. The 2019-2024 Strategic Plan provides a blue print of the University's development priorities in the next five (5) years. The focus on the implementation of the strategic plan shows our prioritization of activities in our budgets and prudence in resource allocation and utilization to facilitate the achievement of key objectives.

We were therefore, able to address our strategic objectives as well as laid a firm foundation for effective and efficient service delivery. I am happy to note that in the FY 2021/2022, the Strategic Plan was implemented through Performance Contracting (PC). The PC was successfully cascaded to the lowest level of management (Head of Sections) and we were able to submit quarterly PC reports to various government offices and government agencies on time.

The key achievements during the reporting period under the Strategic Plan 2019-2024 based on the strategic objectives include;

Table 1: Key Achievements - 2019-2021 Strategic Plan

Strategic Pillar	Strategy Objectives	Achievements
Social	To enhance quality of teaching and learning	<ul style="list-style-type: none"> • Four postgraduate programs were reviewed. • Bachelor of Nursing Curriculum was developed • Procured Servers and installed • Trained lecturers and technical staff. • ISO 9001:2015 re-certification audit was carried out and certificate was awarded by KEBS. • Perimeter wall phase V completed and handed over. • Installation of additional CCTV cameras and solar street lights along strategic areas.
	To position the University as a Research Centre	<ul style="list-style-type: none"> • The University allocated Kshs.12M for research and innovation. • The University received Kshs.40.7 M from external sources to support various research projects • 154 article papers published
	To Improve governance and corporate image	<ul style="list-style-type: none"> • Seven (7) policies were developed/ reviewed and approved by Council
	Develop and maintain physical and technological infrastructure	<ul style="list-style-type: none"> • Fifty million shillings (KShs.50 M) was allocated to ICT directorate against a target of Kshs.16.2 M and was used to acquire ICT equipment and provide services. • The bandwidth was increased to 800 Mbps. • School of Education Complex - Amphitheatre was moved from 44% to 60% completion. • School of Economics and Business & Management Sciences completed and commissioned. • Hostels were refurbished • Paved 350m of internal road linking Forestry building to NS. • Constructed 2km of paved walk-ways
	Strengthen resource mobilization and utilization	<ul style="list-style-type: none"> • Kshs.1.963 billion received from exchequer • Kshs.512 million collected through A-in-A

These achievements were attained in spite of the delays caused by late approval of the supplementary budget. It is our hope that proper budget implementation is strengthened to facilitate the realization of our Strategic Plan.

Financial Obligation

The University of Eldoret depends largely on funds from the exchequer and Appropriation in Aid (A-I-A). Given the inadequacy of these financial resources, the Council has put in place measures for alternative resource mobilization strategies by engaging like-minded partners in education, research and development. To moderate the financial challenges, the University has opened an Endowment Fund.

The Endowment Fund Account will aid the University in sourcing for funds from well-wishers for mutual benefit of the University. I am encouraged to report that considerable work has been done to mobilize staff, students and alumni to support and take ownership of the Fund. The Endowment Fund Account is active and voluntary staff contributions are being deducted on a monthly basis. The Board of Trustees was inaugurated and funds were transferred to the Trustees.

Prudent management of the University's financial resources is a key Council mandate. I wish to declare that the financial statement given in this annual report gives a true and fair view of the state of affairs of the University for the Financial Year ended June 30th, 2022 and the operating results of the University for the same period.

Performance Contract

In line with the provisions of the Constitution, Performance Contract was established to enhance efficient and effective service delivery to Kenyans. In order to meet our service delivery, the Council always enters into a performance contract with the Ministry of Education which is our parent ministry. The purpose of the Performance Contract (PC) is to provide an objective assessment of results realized and challenges experienced by the University as we strive to achieve our core mandate. The objectives of the PC are drawn from the University of Eldoret Strategic Plan and anchored on the Kenyan Vision 2030, Medium Term Plan (MTP III), the Sector Performance Standards (SPS) and Sustainable Development Goals (SDGs). The contract is also sensitive to the presidential directives as stipulated in the "Big 4 Agenda". The University of Eldoret is very committed to this process as can be attested by a PC score of **2.8875 (very good) in our latest** assessment of the University's performance.

University of Eldoret

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

Operating Environment

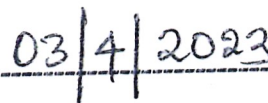
In line with the Government development agenda, the University has committed to align its projects and programmes in quality teaching and learning to conform to the 'Big Four' Agenda in order to enhance service delivery. There has been pressing need to improve infrastructure by increasing the physical facilities that would give the University a competitive advantage. I am pleased to report that in 2020/22 FY, the Council targeted and implemented several projects. These projects included; Education Complex-Amphitheatre, School of Economics and Business Management Complex, and perimeter wall phase V. Further, renovations work on student hostels, internal roads and walkways and buildings were undertaken to enhance learning environment. Apart from these initiatives, the University enhanced its commitment to improving health service delivery under the COVID-19 environment, improve learning (ODEL) infrastructure, increase research output, equip laboratories and disseminate research findings to the general public. Further, we were re-certified for ISO 9001:2015. The University Council, University Management Board and University Staff have worked steadfastly in a bid to create a conducive and enabling environment for teaching and learning.

Conclusion

The Council continues to set the right tone at the top, geared towards the realization of University's vision and mission. On behalf of the Council, I wish to sincerely thank the Government of Kenya and our parent Ministry for their continued support. To our development partners, we highly appreciate your continued support. I also want to thank the Chancellor for her undivided attention, guidance and commitment in the progress and development of the University of Eldoret. To the Management, staff and students, thank you for the commitment and dedication. I humbly appeal that we all continue with the commitment and hard work that you have exhibited during the year. We sincerely hope that the peaceful and productive environment witnessed during the year will continue into the coming year.



Dr. Ismail Buro Hassan
Chairman of Council



Date

5. REPORT OF THE VICE-CHANCELLOR

The University of Eldoret is a centre for quality education in Agriculture, Science, Innovation and Blue-Economy. We are dedicated towards offering quality services to our esteemed stakeholders. Through joint efforts of the University Council, University Management Board, University Staff and our major customers who are our stakeholders, the University has steadfastly ensured that we live by our core values in ensuring that quality assurance and customer satisfaction is enhanced.

I am delighted to present the 2021/2022 Financial Year Report for the year that ended 30th June 2022. As an institution of higher learning, we played our role of providing a conducive learning environment and facilitated generation of knowledge through research initiatives. This enabled staff-student engagements, opened collaborative and linkage opportunities and consultancies. The dissemination of knowledge through workshops seminars and conference was undertaken with community participation. Business continuity arising from COVID-19 pandemic led to the introduction of blended teaching and learning in order to deliver academic programs. We are happy to report that ODeI and Face-to Face learning, as a new product offering has been mainstreamed. In this regard, the University is progressively investing on technological infrastructure.

As a result of dynamic changes in the higher education sub-sector in Kenya, the university is introducing a Nursing programme and reviewing other programmes. This approach is expected to increase the students and our revenue base given the reducing capitation and increasing competition. While this promises improved revenue base, the nationally negotiated collective bargaining agreements continue to present a challenge to the university in terms of channelling the limited financial resource towards meeting payroll demands. This denies the University the needed resources to expand her programme offerings and improvement of physical infrastructure. In order to continue delivering on our core mandate to the satisfaction of all stakeholders, we are focusing on austerity measures, outsourcing non-core activities, and prioritization of income generating activities. In the past, the University received enhanced funding on capital projects to support physical infrastructure. This has since changed, with the Education Complex-Amphitheatre, the only projected supported by the Exchequer. This development means that, with the reduced capital development grants to support ongoing capital, the University will need to look inward to continue internal capital projects and renovations. We are happy to report that in spite of this challenges, the university saw pending activities such as renovation works on student hostels, wake-

ways, internal roads undertaken and teaching laboratories equipped. To demonstrate our resilience and focus, the following key areas highlight our performance in the year under review:

Strategic Plan and Performance Contracting

During the 2021/2022 Financial Year, the University implemented the 2019-2024 Strategic Plan. The responsible divisions undertook to implement the strategic plan through operational work plans which were financed through the annual budget. The plan focused on six (6) Key Result Areas (KRAs). Under the plan, the university was able to review and develop academic programmes, increase mode of programme delivery, strengthen safety and security, implement research policy, implement signed MOUs, and acquire ICT equipment. Further, we established information security management system and improved internal road network among others. To remain focused on the implementation of the strategic plan, we have ensured that the Performance Contracting (PC) process derived performance targets from the Strategic Plan, Sector Performance Standard (SPS), MTP III and is fully aligned to the University budget.

I am happy to report that so far, through collaborative efforts between the University Council, University Management Board and University Staff at large, the University managed a composite PC score of **2.8873** which translated to Very **Good**, despite the effects of the existing challenges. This demonstrates the focus in utilizing the available resources within our disposal to achieving our set targets.

Teaching and Research Activities

We are delighted to report that the University continued to discharge its mandate of teaching, research and outreach successfully throughout the year. This was in spite of disruptions through industrial action by the staff. The Academic year 2021/22 was not delayed and the academic calendar was adjusted to recover lost time. As a business continuity measure, mix approaches to teaching and learning were employed with blended learning adapted. The University stepped up its effort in supporting research to achieve our mandate and support Government's role in the achievement of the Big 4 agenda. In this endeavour, we continued renovations and equipped laboratories through acquisition of additional equipment and donations in order to improve our research output.

The student population on the other hand has continued to change in response to the changes in the government policies. Currently, the University total student population

stands at approximately **11,073** students distributed in the nine (9) Schools of the University. This figure comprises of diploma, undergraduate and post graduate students. The University admitted a total **2,668** GSSP in 2021/2022 academic year compared to **3,045** GSSP students in 2020/21 Academic Year. Further, the University successfully held two graduations: the 9th and 10th Graduations, which were held virtually on Thursday 26th August, 2021 and 31st March, 2022, respectively. A total of 3,120 students graduated.

We are quite excited to reported the establishment and commissioning of Fish Genetics and Genomics Research Laboratory, which was equipped through the National Research Fund (NRF), to the tune of **Kshs.50 million**. This will greatly enhance our research output and support the country to release food security. In an effort to transfer research and technological innovations to society, the University disseminated research findings through conferences, workshops, policy briefs and publications. We therefore, participated in the Food and Nutritional Security conference, Chemical Science conference, 2nd Postgraduate conference, research sensitization & resource mobilization workshop. Further, our staff participated in the 9th Edition of Africities summit, commercialization of research leadership workshop and Training of Science, Technology and Innovation (STI) for focal persons & champions. It was also encouraging to see the University faculty and students publish 154 papers. Although this was not our desired level of output, it's gratifying to witness impactful publications in referred journals.

As a part of our extension and outreach activities, the University participated in field courses, student community services and environmental conservation. We therefore planted trees to mark Global Climate Change Week, supported St. Benedict School of Hearing Impairment, St. Luke Home for the Deaf and Lodwar Rescue Centre. The university, further, collaborated with neighbouring counties to transfer relevant technologies in crop, animal and fish farming to youth, women and farmers by conducting ten (10) training sessions across different value chain.

Financial Performance and Utilization of Funds

The main source of funding to the University during this period under review was the Exchequer, with a total contribution of **Kshs.1.97 billion** for recurrent expenditure purposes as compared with **Kshs.1.89 billion** in the previous year from the Parent Ministry. Internally generated revenue at **Kshs.514.28 million** during the year with fees paid by both the Government Sponsored Students Programme (GSSP) and Privately Sponsored Students Programme (PSSP) being the second major source of funding at

University of Eldoret

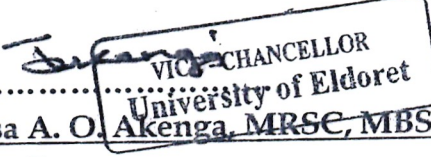
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Kshs.322.24 million. In addition, the University generated a sum of **Kshs.138.84 million** from student's administrative and related fees, **Kshs.13.58 million** from graduation levies and **Kshs.10.06 million** from accommodation fees. In general, the University recorded an aggregate income of **Kshs.2.49 billion** during the year, while the recurrent expenditure stood at **Kshs.2.42 billion** with other gains of **Kshs.6.61 million**. The University therefore, recorded a surplus financial performance of **Kshs.69.27 million** during the year.

On the other hand, the Capital Development grants received by the University stood at **Kshs.40.00 million** during the year. The amount was expended in the respective on-going projects namely School of Education Amphitheatre which progressed well during the year.

Conclusion

On behalf of the University Management Board, I take this opportunity to thank all our valued stakeholders; the Government of Kenya, partners and collaborators for their continued financial, material and moral support which helped us in improving the much-desired facilities and infrastructure for learning. I appreciate the Chancellor and the University Council for providing guidance and support. I also wish to thank the Management team, Senate, all staff and the student community for upholding peace, hard work, discipline and the core values which we cherish as we strive to be a premier University that nurtures global leaders and innovators. We continue to express ourselves through our motto "the flame of knowledge and innovation".

.....

Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
Vice Chancellor

.....27/3/2022.....
Date

6. REVIEW OF UNIVERSITY OF ELDORET'S PERFORMANCE FOR FY 2021/2022

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. The Strategic Plan 2019- 2024 approved by the University Council in December of 2019 seeks to provide quality education, training, research and consultancy in Science, Agriculture and Technology to meet the needs and aspirations of a dynamic society. In the year under review, the Council continued to implement the Strategic Plan.

The University developed its annual work plans based on the Strategic Plan focusing on the Social Pillar of the Vision 2030. Assessment of the Council's performance against its annual work plan is done on a quarterly basis. The University achieved its performance targets set for the FY 2021/2022 period for its' Social Strategic Pillar. The achievements are as follows:

1. The University was re-certified for ISO 9001:2015 by KEBS.
2. The Fish Genetics and Genomics research laboratory worth **Kshs.50 million** sponsored by NRF was commissioned.
3. The School of Economics and Business & Management Sciences was completed and commissioned.
4. Two Applications (APPs) were developed. The first one was *uniKura* for managing *student election*. It was successfully used during the 9th Students Council election. It reduced cost and time for voting. The second was for student counselling, which was successfully piloted and implemented.
5. The University improved internal road networks by paving **350 meter** of internal road and also constructed about **2 km** of paved walk-ways.

The summary of the achievements on the performance targets set for FY 2021/2022 under Social Strategic Pillar is provided under Table 1.

Table 2: Report on the Achievements on the Strategic Plan 2019 – 2024 in FY 2021/2022

Strategic Pillar	Strategic Objectives	Key Performance Indicators	Key Activities	Achievements	Score (%)
Teaching and Learning	To enhance quality of teaching and learning	Number of curricular developed	<ul style="list-style-type: none"> Review and develop academic programmes Increase modes of curriculum delivery 	<ul style="list-style-type: none"> Four postgraduate programs were reviewed. Bachelor of Nursing Curriculum was developed Procured and installed Servers Continued with online teaching Trained lecturers and technical staff. Procedures for online learning developed ready for approval Two programs have been developed and they are going through the due process of approval 	85
		<ul style="list-style-type: none"> ODEL Infrastructure installed No. of ODeL Programmes developed 			90
Quality Assurance	To ensure quality assurance	<ul style="list-style-type: none"> Quality Policy Level of implementation 	Strengthen Quality assurance	<ul style="list-style-type: none"> ISO 9001:2015 re-certification audit was carried out and certificate was awarded by KEBS. ISO 9001:2015 internal audit was successfully carried out. Students council members were sensitized Quality of teaching was monitored 	100
		<ul style="list-style-type: none"> Perimeter fence phase V completed 	Strengthen safety and security	<ul style="list-style-type: none"> Perimeter wall phase V completed and handed over. 	70

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	<ul style="list-style-type: none"> No. of installations covered by CCTV cameras 		<ul style="list-style-type: none"> Installation of additional CCTV cameras and solar street lights along strategic areas. 	85
<p>To position the University as a Research Centre</p>	<ul style="list-style-type: none"> Amount of research fund allocated (Internal funds) No. of proposals attracted external funding No. of publications 	<p>Implement research policy and guidelines</p>	<ul style="list-style-type: none"> The University allocated Kshs.12 million for research and innovation. The University received Kshs.40.7 million from external sources to support various research projects 154 articles published 	85
<p>Strengthen collaborations & partnerships with relevant institutions and industries</p>	<ul style="list-style-type: none"> No. of MoUs signed 	<p>Implemented signed MOUs</p>	<p>An MOU with Equity Bank was implemented.</p>	60
<p>To improve governance and corporate image</p>	<ul style="list-style-type: none"> No. of policies and procedure manuals reviewed /developed 	<p>Strengthen compliance to governance laws and regulations</p>	<ul style="list-style-type: none"> Seven (7) policies were developed/ reviewed and approved by Council 	100
<p>Establish optimal staffing level</p>	<ul style="list-style-type: none"> Ratio of academic to administrative attained 	<p>Implement recommendations of the staff needs assessment report</p>	<p>The ratio of teaching to non-teaching staff is 40:60 as compared to the baseline of 37:63</p>	86
<p>Improve staff performance management</p>	<ul style="list-style-type: none"> Approved 3600 evaluation tool 	<ul style="list-style-type: none"> Digitize 360^o evaluation tool 	<ul style="list-style-type: none"> Digitization of the tool is complete and in piloting stage. 	80

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	<p>performance contracts signed</p> <ul style="list-style-type: none"> Staff appraised 	<ul style="list-style-type: none"> Set performance targets Appraise all staff 	<ul style="list-style-type: none"> Staff signed performance contracts Staff were appraised. 	
<p>Development of ICT and provision of services</p>	<ul style="list-style-type: none"> 3% of operational budget allocated to ICT Increased Bandwidth in Mbps No. of facilities developed through exchequer funding and A-in-A. 	<p>Acquire ICT Equipment, automate and provide services</p>	<ul style="list-style-type: none"> Fifty million shillings (KShs.50 M) was allocated to ICT directorate against a target of Kshs.16.2 M and absorbed KShs.33 M by acquiring equipment and providing services. The bandwidth was increased to 800 Mbps. School of Education Complex - Amphitheatre was progressed from 44% to 60% completion. School of Economics and Business & Management Sciences completed and commissioned Hostels were refurbished 	<p>90%</p>
<p>ICT Staff Training</p>	<p>Number of staff trained</p>	<p>Train staff on ISIMS</p>	<ul style="list-style-type: none"> 900 hundred staff were trained Documentation was completed 	<p>70</p>
<p>ICT Infrastructure</p>	<ul style="list-style-type: none"> Length of paved roads (Km) Length of walkways and bicycle lanes 	<p>Construct and refurbish roads</p>	<ul style="list-style-type: none"> Paved 350m of internal road linking Forestry building to NS. Constructed 2km of paved walkways 	<p>100</p>

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Develop green energy systems	<ul style="list-style-type: none"> • Number of Biogas digester increased • Install solar lighting systems 	<ul style="list-style-type: none"> • Increase the number of biogas digesters. • Install solar street lights 	<ul style="list-style-type: none"> • Installed one bio-digester at student centre • Commenced the installation of solar street lights 	
Improve and increase recreational facilities	<ul style="list-style-type: none"> • No. of recreational facilities developed or renovated 	Construct/renovate recreational facilities	<ul style="list-style-type: none"> • 2 basketball courts are being constructed • 2 lawn tennis courts are being constructed 	50
Maintain transport and logistical support	<ul style="list-style-type: none"> • No. of vehicles acquired and maintained 	Implement transport and logistical support guidelines	One vehicle worth Kshs.3.73 million was procured	
Strengthen staff mobilization and utilization	<ul style="list-style-type: none"> • No. of staff trained • 10 % increase in exchequer funds (Kshs. M) • Funds from A-in-A 	<ul style="list-style-type: none"> • Train and Sensitize staff on resource mobilization • Amount mobilized from Exchequers 	<ul style="list-style-type: none"> • Kshs.1.973 billion received from exchequer • Kshs.513 million collected through A-in-A 	99.7
Improve liquidity ratios	<ul style="list-style-type: none"> • % Outstanding student debts reduced • Amount of money raised from selling idle assets 	Improve liquidity ratios	<ul style="list-style-type: none"> • Outstanding student debts reduced by 20% • Amount raised Kshs.3.89 million from selling idle assets 	85

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Establish endowment funds	<ul style="list-style-type: none"> Approved endowment fund policy Approved endowment fund guidelines 	Develop policy and guideline for approval	<ul style="list-style-type: none"> Policy and guideline were approved 	60
Strategic Budgeting and Budget Implementation	<ul style="list-style-type: none"> No. of approved annual corporate budgets No. of annual procurement plans No. of annual financial reports 	<ul style="list-style-type: none"> Develop annual budgets Develop procurement plans Develop financial reports 	<ul style="list-style-type: none"> Annual budget was developed and approved Annual procurement plan was developed and approved Quarterly and annual financial reports were prepared and approved 	100
Ensure compliance with statutory obligations	<ul style="list-style-type: none"> complied with the statutory obligations 	<ul style="list-style-type: none"> compliance with relevant laws and regulations 	<ul style="list-style-type: none"> The University complied with the statutory obligations 	100
Overall achievement				84

7. CORPORATE GOVERNANCE STATEMENT

The University Council and Management of University of Eldoret are committed to maintaining the highest standards of corporate governance.

a) The University Council

Pursuant to provisions of section 36 (1) (a) (b) and (c) of the Universities Act, 2012, Eight (8) persons served as members of the University Council during the first half of 2021/2022 Financial Year. They comprised of the Chairman; five (5) independent members; one member representing the Permanent Secretary, State Department for University Education and Research, Ministry of Education and the Vice-Chancellor who is a member without voting rights (*ex officio*) and also Secretary to Council. One member representing the Cabinet Secretary, National Treasury was appointed during the second half of the Financial Year to replace the late Mr. Duncan Ndirangu.

Hereunder are those members who served during the first half of the Financial Year:

- | | | | |
|-----|--------------------------------|---|--|
| 1. | Dr. Ismail Buro Hassan | - | Chairman of Council |
| 2. | Prof. Teresa A.O. Akenga | - | Secretary/ <i>Ex officio</i> member/VC |
| 3. | Mr. James Kiburi | - | Member/ Alternate to PS MOE |
| 4. | Dr. Beryl Namalwa Mutekhele | - | Member (exited on 7 th Feb. 2022) |
| 5. | Mr. John Kihunyu Gitogo | - | Member |
| 6. | Mr. Joseph Ole Nkamasi | - | Member |
| 7. | Mr. Sixtus Momanyi Ondieki | - | Member |
| 8. | Hon. Jire Siyat Mohamed | - | Member (exited on 7 th Feb. 2022) |
| 9. | Mr. Archer Arina Omollo | - | Member (joined 1 st Feb. 2022) |
| 10. | Ms. Elizabeth Mkandoe Shungula | - | Member (joined 10 th March, 2022) |
| 11. | | | |

The six (6) independent members of the University Council were appointed by the Cabinet Secretary, Ministry of Education with effect from 4th November, 2020 and 18th December, 2020 vide Gazette Notices No. 8986 dated 6th November, 2020 and Gazette Notice No. 10700 dated 18th December, 2020 respectively, to serve for a term of three (3) years each.

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In the second half of the Financial Year, changes in the membership of Council occurred as follows:

1. Mr. James Kiburi exited and was replaced by Mr. Archer Arina Omollo on 1st February, 2022.
2. Dr. Beryl Namalwa Mutekhele resigned on 7th February, 2022 to pursue political interests in accordance with circular Ref. No. OP.CAB/39/1A dated 28th January, 2022 from the Head of the Public Service.
3. Hon. Jire Siyat Mohamed resigned on 7th February, 2022 to pursue political interests in accordance with circular Ref. No. OP.CAB/39/1A dated 28th January, 2022 from the Head of the Public Service.
4. CPA Elizabeth Mkandoe Shungula was appointed on 10th March, 2022 to replace the late Duncan Ndirangu as the representative of the Cabinet Secretary, National Treasury.

Council is assisted in execution of its functions by four (4) Committees namely:

1. Finance, Planning, Resource Mobilization and General Purposes Committee (FPRMGPC).
2. Academic, Research, Innovations and Students' Affairs Committee (ARISAC).
3. Human Resources Committee (HRC)
4. Audit & Risk Management Committee (ARMC).

b) Council Work Plan and Major Events

During the 2021/2022 Financial Year, Council developed and implemented a Council Almanac (Work Plan). Major events in the Calendar of Council were as shown below:

Table 3: Major Events in the 2021/2022 Calendar of Council

Date	Event
28.7.2021	Stakeholder engagement Uasin Gishu County Commissioner
20.8.2021	Inauguration of the 1 st Board of Trustees of the UOE Endowment Fund Trust
26.8.2021	9 th virtual graduation of the University
14.9.2021	2021/2022 Performance contract vetting
28.9.2021	Sensitization workshop on ISMS

Date	Event
30.9.2021	2020/2021 Council evaluation
17.11.2021	2020/2021 Performance Contract evaluation
15.12.2021 to 17.12.2021	Council training on corporate governance
31.3.2022	10 th virtual graduation of the University
31.5.2022	Hearing of students' disciplinary appeals to Council
13.6.2022	Commissioning of the Fish Genetics and Genomics Laboratory
28.6.2022	Hearing of staff disciplinary appeals to Council

c) Meetings of Council and its Committees

The University Council meets on a quarterly basis and has a formal schedule of matters to be discussed based on the Council Almanac. The Council Almanac for the 2021/2022 Financial Year was considered and approved by Council and sent to SCAC as per the requirements of circular Ref. No. OP/CAB.9/1A dated 11th March, 2020 from the Head of the Public Service. The Council members receive appropriate and timely reports to facilitate informed deliberations and decision-making. Special meetings of Council and its Committees were held after approval by the Cabinet Secretary, Ministry of Education in accordance with circular Ref. No. OP/CAB.9/1A dated 11th March, 2020 from the Head of the Public Service. The number of meetings and other official functions of the Council for the period 1st July, 2021 to 30th June, 2022 is as shown in Table 4 below:

Table 4: Summary of Council Meetings and other official functions

Organ	Ordinary meetings	Special meetings	Ad Hoc meetings	Other functions	Total
Full Council	4	8	-	-	12
ARISAC	4	3	-	-	7
FPRMGPC	4	3	-	-	7
HRC	4	-	-	-	4
ARMC	4	1	-	-	5
Ad Hoc Council Meeting	-	-	1	-	1
Ad Hoc ARISAC Meeting	-	-	2	-	2

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Organ	Ordinary meetings	Special meetings	Ad Hoc meetings	Other functions	Total
Ad Hoc HRC Meeting	-	-	1	-	1
Chairman's Consultative Meetings with Chancellor and VC	-	-	-	3	3
Chairman's Stakeholder Engagement Meetings	-	-	-	1	1
Chairman's IPUCCF meetings	-	-	-	2	2
Council - other functions	-	-	-	11	11
Grand Total	20	15	4	17	56

d) MWONGOZO (Code of Governance for State Corporations)

Council notes that adherence to good corporate governance practices is key to effective and efficient management of the institution. On 15th to 17th December, 2021 Council underwent a training on corporate governance. During the 2021/2022 Financial Year, the Council adopted an effective governance system as espoused in the Council Code of Conduct and Ethics and the Mwongozo Code of Governance for State Corporations, which is now the corporate governance blue print for State Corporations.

g) Board Evaluation

This is a formal process for reviewing and evaluating the Council's performance and that of its Committees and individual Members. This is externally facilitated after every year through the State Corporations Advisory Committee (SCAC). On 14th December, 2021 Council received its performance report for the period 2020/2021. The overall corporate performance was 87.84% while all individual members scored above 80%. This was rated as very good performance. A Council Improvement Plan was developed to address the areas that members scored 70% and below.

h) Shared Belief

The University Council and Management have a shared belief that corporate governance is a continuous process and that good corporate governance must be embedded in our culture to support our values of discipline, high moral standards and integrity which are fundamental to the long-term success and sustainability of our core mandate as an institution of higher learning.

i) Council Member's Remuneration.

The University pays members of the Council taxable sitting allowance following guidelines from the State Corporations Advisory Committee (SCAC) and Salaries and Remuneration Commission (SRC). The sitting allowance is payable when a member attends meeting of the Council or its Committees and when on official duty in and outside the Country. The summary of individual members' allowances is as shown in table 5 below:

Table 5: Council Members Allowances Analysis for 2021/2022FY

COUNCIL MEMBERS ALLOWANCE ANALYSIS FOR 2021/2022					
NO	MEMBER NAME	SITTING ALLOWANCE	TRAVELLING & ACCOMMODATION	LUNCHES	TOTAL
1	DR. ISMAEL BURO HASSAN	680,000.00	1,052,400.00	54,000.00	1,786,400.00
2	MR.ARCHER ARINA OMOLLO	220,000.00	285,000.00	22,000.00	527,000.00
3	MS.ELIZABETH SHUNGULLA	120,000.00	146,300.00	12,000.00	278,300.00
4	MR.JOHN KIHUNYU GITOGO	640,000.00	1,010,970.00	56,000.00	1,706,970.00
5	MR.JOSEPH Ole NKAMASIAI	660,000.00	1,063,460.00	58,000.00	1,781,460.00
6	MR.SIXTUS MOMANYI ONDIEKI	780,000.00	1,837,459.00	74,000.00	2,691,459.00
7	MR JAMES KIBURI	460,000.00	933,870.00	40,000.00	1,433,870.00
8	DR BERYL N. MUTEKHELE	546,000.00	825,903.00	42,000.00	1,413,903.00
9	MR. JIRE SIYAT MOHAMMED	480,000.00	1,213,660.00	36,000.00	1,729,660.00
	Totals	4,586,000.00	8,369,022.00	394,000.00	13,349,022.00

The Chairman of Council is paid honoraria as approved by the Government from time to time. The payment of sitting, travelling and lunch allowance is also based on the approved rates by the Government of Kenya. The University does not grant personal loans and guarantees to Council Members. The Vice-Chancellor is an ex-

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officio member of the Council and does not draw any allowances when attending Council meetings.

j) **Conflict of Interest**

All Council members are required to inform the Council of any conflicts or potential conflicts of interest they may have in relation to particular items of business; and they are required to recuse themselves from discussions or decisions on those matters, unless resolved otherwise by the remaining members of Council. During the FY 2021/2022 no conflicts of interest were registered.

(a) **Internal Controls**

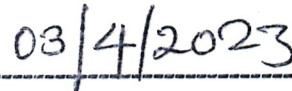
The University Council is committed to establishing and monitoring a risk management framework and to controlling its financial activities with a view to maximizing the resources and ensuring compliance with legal and regulatory requirements. The University Council assesses the effectiveness of the University's internal control systems on a quarterly basis.

(b) **Code of Conduct**

The University Council has a Code of Conduct and Ethics in line with the Leadership and Integrity Act, 2012 for which all the Council Members, Management and employees are required to observe and which is also reinforced by the core -values and principles of governance.



Dr. Ismail Buro Hassan
Chairman of Council



Date

8. MANAGEMENT DISCUSSIONS AND ANALYSIS

The University continued to discharge its mandate of teaching, research and outreach successfully throughout the year despite the many challenges in the operating environment. The ongoing COVID-19 pandemic, unstable micro- and macro-economic environment and labour relations threats are examples of these challenges. This section gives the highlights of some of the key achievements for different sections of the University.

8.1.0 CORE MANDATE OF TEACHING (ACADEMIC DIVISION)

The Academic Division is responsible for enhancing quality of teaching and learning to support the University fulfill its core mandate. This section highlights the achievements of the Academic Division.

8.1.1 Student Enrolment

The 2021/2022 Academic Year commenced in September 2021 with total student population of 11,073 including 2,652 first years. Table 6 shows student distribution per module.

Table 6: Enrolled students for the 2021/22 Academic Year

	Diploma	Bachelors	PGD	Masters	Doctorate	Total
GSSP	-	8,830	-	-	-	8,830
PSSP	438	969	52	585	199	2243
TOTAL	438	9,799	52	585	199	11,073

The Kenya Universities and Colleges Placement Service (KUCCPS) placed 2,455 students for 2022/2023 academic year in University of Eldoret programmes against the declared capacity of 4,200. This represents 52% of the declared space.

Trends in first year placements since the University was chartered are shown in Figure 3.

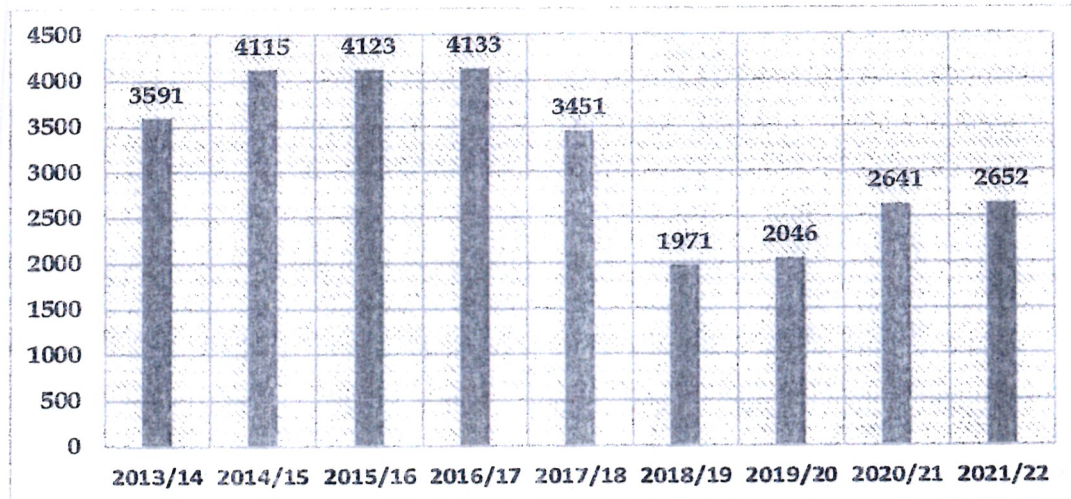


Figure 3: 1st Year Students Reporting Trends for the nine years since the university was chartered

8.1.2 Academic Milestones

The 2021/22 academic year commenced from 20th September, 2021 to 29th April, 2022. During this academic year the University had two graduations: the 9th and 10th Graduations, which were held virtually on Thursday 26th August, 2021 and 31st March, 2022, respectively. A total of 3,120 students graduated. As at the close of the FY 2021/2022, the University had graduated a total of 28,673 students at various levels a strive in fulfilling our Quality Objective to ensure 90% completion rate of students admitted in respective programmes. Figure 4 shows the graduation trend since the University was chartered.

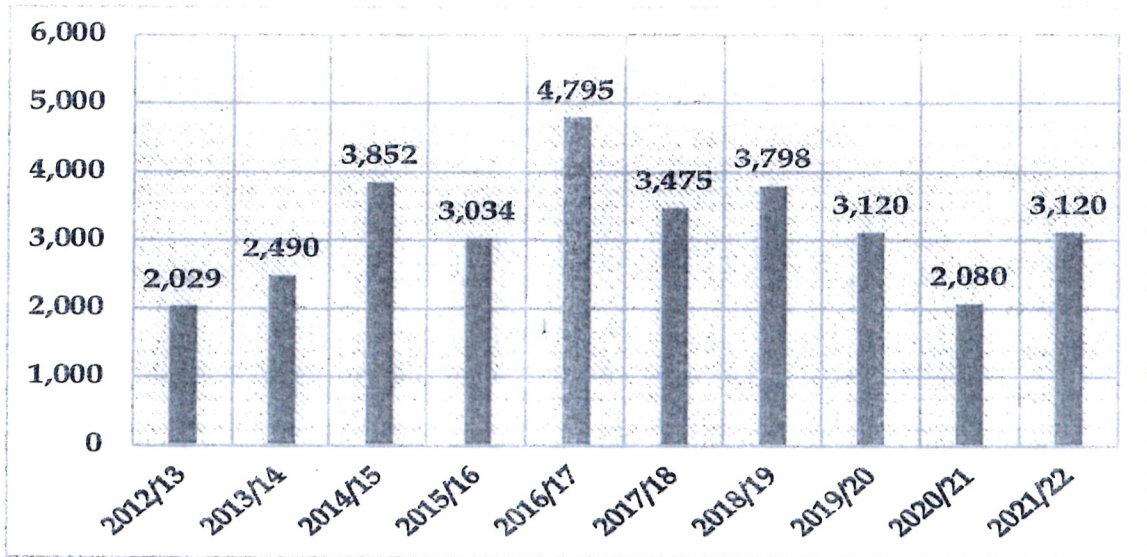


Figure 4: Graduation trends since the university was chartered

During graduation, the University recognized the best Female and Male undergraduate graduands who were retained as Graduate Assistants under the staff training program. For the 10th Graduation Ceremony Yegon Fancy Chepkemoi (First Class Honours in Bachelor of Science (Agricultural Economics)) and Kithunga Emmanuel Wilson (First-Class Honours in Bachelor of Science (Fisheries & Aquatic Sciences)) were the best graduands. This is aimed at strengthening our human resource capacity to deliver quality teaching and learning.

As a means of containing COVID-19 pandemic as well as optimizing use of time and space resources, the ODeL directorate was strengthened (infrastructure and capacity building). Most courses were delivered using blended learning, while a few, especially post-graduate courses were delivered fully through e-learning providing more flexible options for both the learners and instructors to interact during curriculum delivery. Through the ODeL infrastructure upgrade, teaching and learning at the University proceeds with minimal interruption, thus contributing positively towards the core mandate of the institution.

8.1.3 Library Services

One of the key milestones in the University Library in 2021/22 FY is the installation of Open Journal System (OJS), a free software for the management of peer-reviewed academic journals. To date the Africa Environmental Review Journal, one of the peer reviewed journal of the University has been uploaded on the OJS. The Library is working on the logistics of migrating all University Journals

to OJS. These can be accessed via <http://ojs.uoeld.ac.ke/> and this will positively enhance quality of teaching and learning by providing more access to current information to both learners and lecturers. Through the open access publishing opportunity, scholarly work from our academicians will gain visibility at an international scale with potential to attract new students and staff to the University.

The University hosted the Kenya Libraries and Information Services Consortium (KLISC) Conference held in Eldoret on 25th & 26th May 2022. This conference presented an opportunity for university library and a few teaching staff to gain knowledge in information access and dissemination. This contributes towards enhanced support to teaching and learning at the University through better service provision by the University Library.



Figure 5: The DVC (ASA) and University Librarian and KLISC officials during the conference

During the period under review, the library ordered books worth KES6,142,133.85. By the close of year, books worth KES3,093,081.80 had been received. The remaining orders delayed due to procurement hitches and the University is working to avoid such delays in future.

8.1.4 Students Affairs

Elections for the 9th Students Council (SC) were held virtually using the University newly developed KURA-App on 2nd April 2002. Table 7 presents the office bearers.

Table 7: Elected 9th Students Council

Name	Office
Kipchumba Evans Chepsergon	Chairperson
Sharon Karungu	Vice Chairperson
Tony Blaire Onyango	Secretary General
Ambani Maghrlyne Nafula	Treasurer
Kiplimo Vincent	Special Member in Charge of Sports, Games & Entertainment
Nayaboke Ondiek Pauline	Special Member in Charge of Disability
Maxwell E. Ong'ura	Special Member in Charge of Postgraduate & International Students



Figure 6: The 9th and 8th Students' Council members

The Student Council was taken through a leadership induction training from 10th to 14th May, 2022 at Kunste Hotel, Nakuru. This was followed by a team building session with the members of the UMB and other University staff heading key Departments/Sections. The aim is to impart leadership skills to the new student leaders, and team work among the students' leadership and University administration to foster good working relations and team spirit and subsequently, help to focus on the University Mission, Vision and Core Values. Good collaboration between the student leadership and the university administration contributes towards improving governance and the corporate image of the university, as it creates an atmosphere for customer appeal. During the year the

University of Eldoret

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University Students participated in several extra-curricular activities under students' welfare as summarized in Table 8 below:

Table 8: UoE Participation in Extra-curricular Activities

	Activity	Venue	Date
1	National Drama, Music & Film Festival	Meru University of Science & Technology	October 16 th -20 th 2021
2	Eastern Africa Universities Sports Federation (EAUSF) Forum	Dodoma, Tanzania	October 28 th -30 th , 2021
3	UESO Cup and Interschool Activities	University of Eldoret	November 13 th , 2021
4	Environmental Day	Sogomo	November 27 th , 2021
5	Disability Awareness Day	University of Eldoret	November 28 th , 2021
6	UESO Sports Day	University of Eldoret	January & March 2022
7	Health Awareness Day	University of Eldoret	February 19 th , 2022
8	Cultural Day	University of Eldoret	March 12 th , 2022
9	Career Day	University of Eldoret	April 2 nd , 2022
10	Vice Chancellor's Cup	University of Eldoret	April 9 th , 2022



Figure 7: Activities during the Vice-Chancellor's Cup

8.2.0 PLANNING, RESEARCH AND EXTENSION

The Planning Research and Extension division supports the University mandate by addressing the following strategic objectives

- i) Position the university as a Research Centre
- ii) Strengthen Resource Mobilization and Utilization
- iii) Enhance Outreach Portfolio - Linkages, Partnership and Collaborations
- iv) Develop and maintain appropriate physical and technological infrastructure to support teaching and research

Several activities were carried out toward achieving these objectives and the achievements are summarized in this section.

8.2.1 Research Activities and Achievements

The Directorate of Research and Innovation spearheaded the implementation of several research-related activities as summarized below.

(a) External Grants Mobilized

During the year under review, the University mobilized **Kshs.47.02 million** from external sources to support various research projects. The Figure 3 shows a comparison of the grants mobilized per year for the past four years.

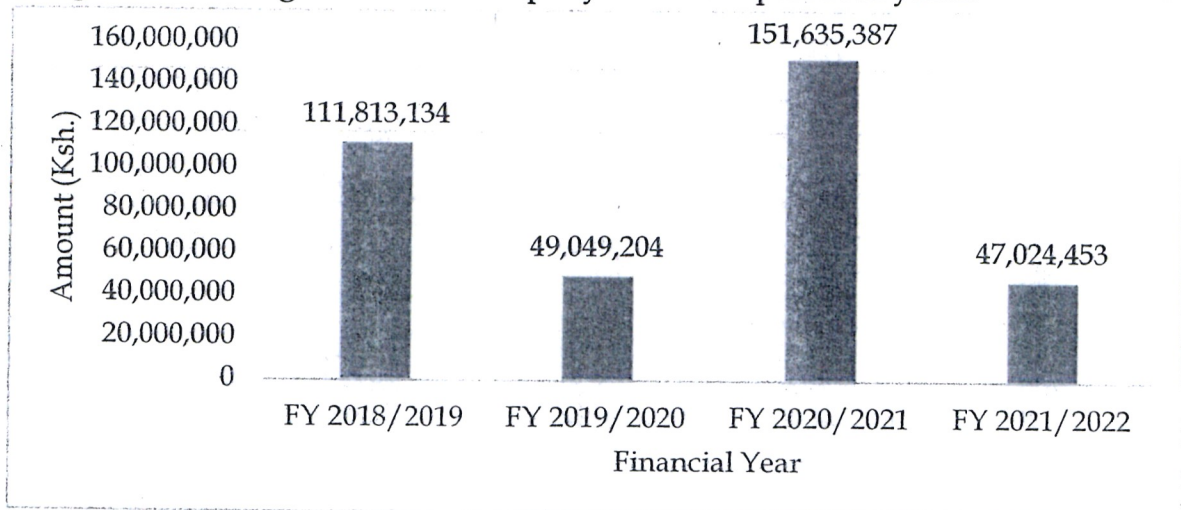


Figure 8: Comparison of the grants mobilized for the past four years

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Part of the external research grants received last year was used to establish the Fish Genetics and Genomics Research Laboratory, which was equipped through the National Research Fund (NRF), to the tune of **Kshs.50 million** and commissioned on 13th of June, 2022.

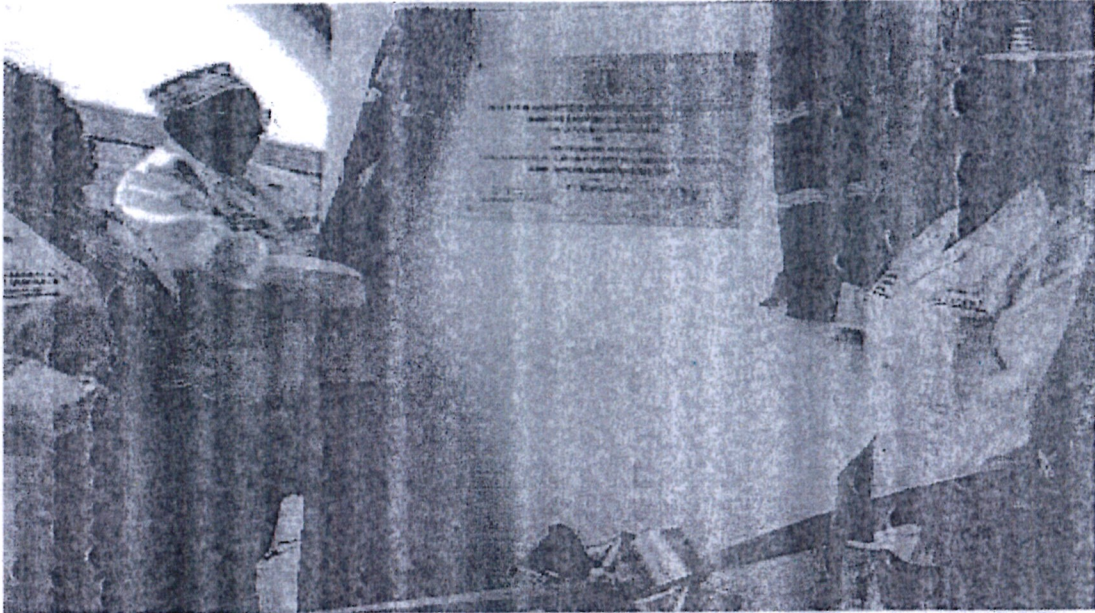


Figure 9: NRF CEO officially commissioning the lab with the Chair of council and the Vice-Chancellor

During the year, Prof. Miriam Kinyua, one of the leading researchers at the University, received an international joint FAO/IAEA award for excelling in mutation breeding.



Figure 10: The VC presenting the certificate of award to Prof. Kinyua

(b) Internal research grants

Every financial year, the University allocates money from its budget to research activities. In the year under review, **Kshs.6,497,150** was set aside for research through the University of Eldoret Annual Research Grants (UoEARG). Since its inception in 2016, the UoEARG has funded 80 competitive multidisciplinary research projects addressing the 'Big 4 agenda in 7 cohorts to the tune of **Kshs.45,138,850** (Figure 10).

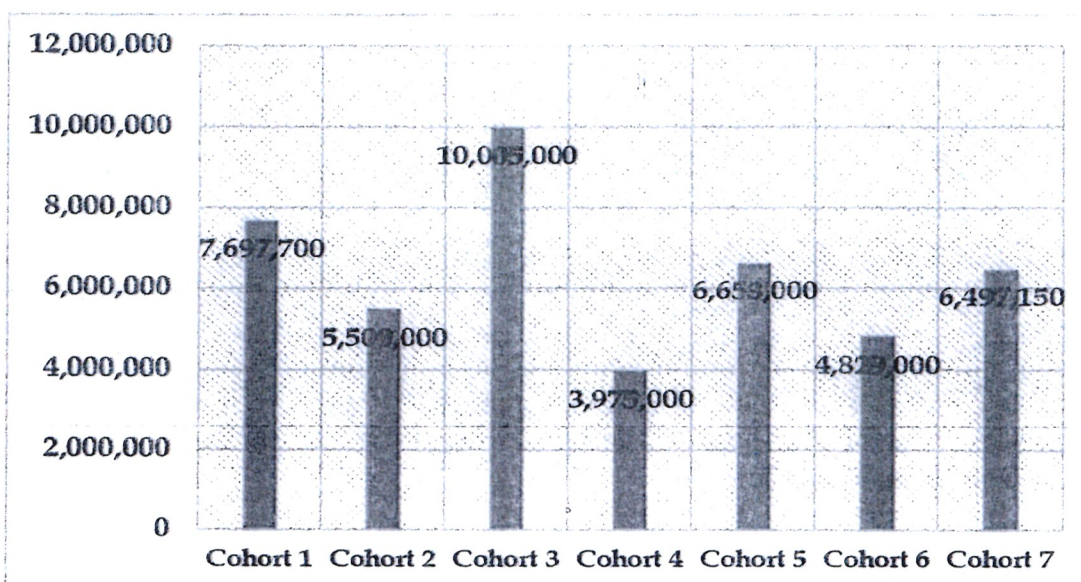


Figure 11: Externally funded projects funds per financial year

(c) Conferences and Workshops

The University organized and undertook three scientific conferences and workshops to disseminate research findings. The details of these are presented in Table 9

Table 9: Conferences and Workshops organized by UoE

Title	Theme	Date
Food and Nutritional Security	<i>Towards Food and Nutritional Security: Challenges and Opportunities</i>	February 15 th to 17 th 2022
Chemical Sciences Conference	<i>Trends and Innovations in Chemical Science for Sustainable Development</i>	March 16 th to 18 th 2022

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Title	Theme	Date
2 nd Postgraduate Conference	<i>Leveraging on Research and Innovation for Sustainable Development</i>	May 19 th to 20 th , 2022
Intellectual Property	Sensitization Workshop	6th to Friday 10th June, 2022
Research Sensitization and Resource Mobilization Workshop		October 19, 2021

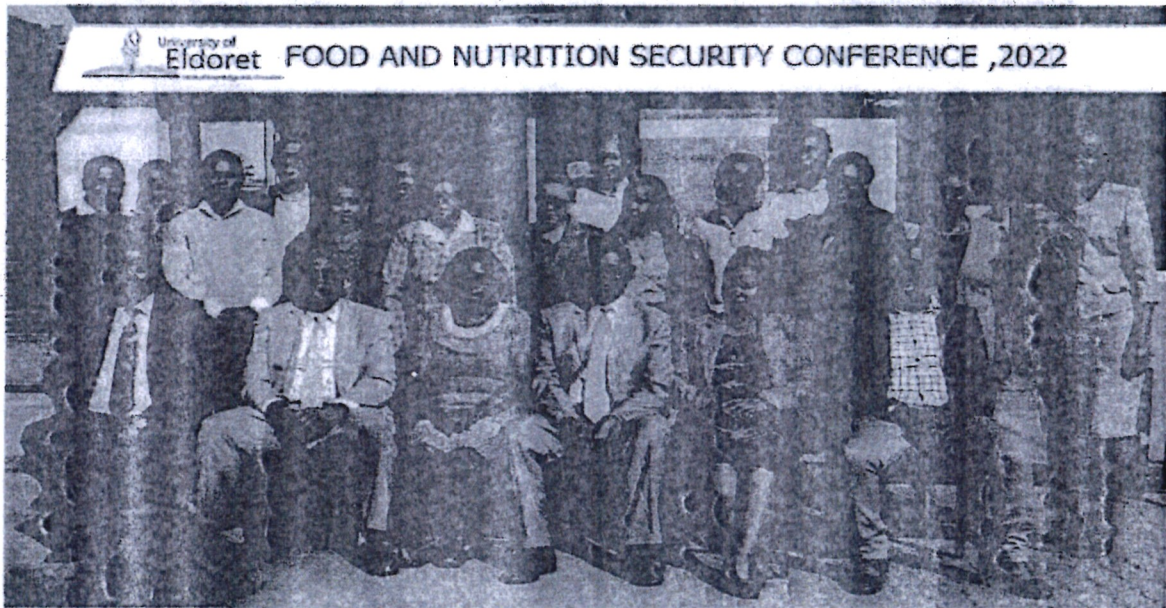
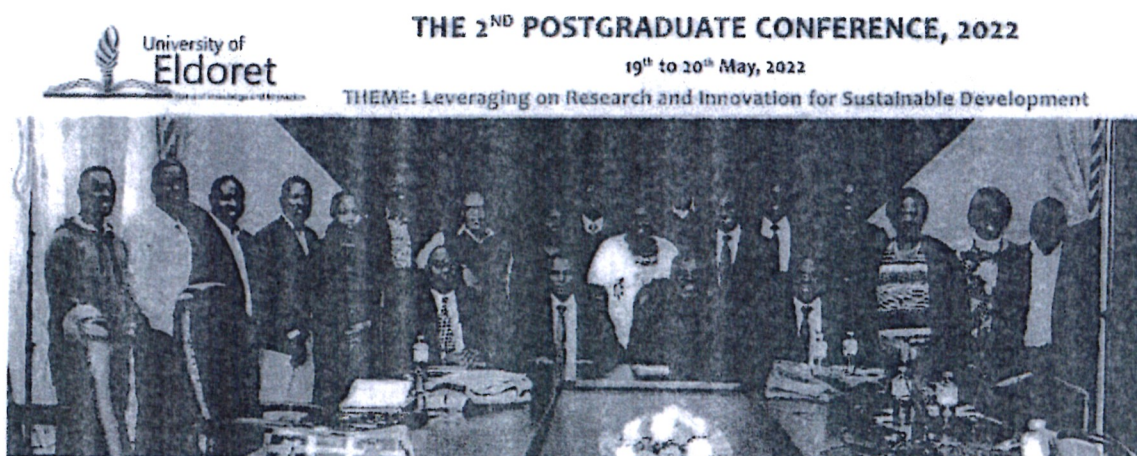


Figure 12: Conference Organising Committee

Figure 13: Participants of the 2nd Post-graduate Conference



The University staff also attended several conferences and workshops organized by other organization as shown in Table 10.

Table 10: Conferences and Workshops attended outside UoE

Conference/Workshop	Title	Venue	Date
9 th Edition of Africities Summit	International Exhibition of African Cities and Local Governments	Kisumu	17 th -21 st May, 2022
Commercialization of Research Leadership workshop	Kenya Innovation Agency	Sarova Panafric Hotel	3 rd December, 2021
Training of Science, Technology and Innovation (STI) for Focal Persons and Champions	NACOSTI	Nairobi	14 th to 17 th December, 2021

(d) Public Lectures

A Public Lecture on ‘Universities as Incubation Hubs’ was presented by the CEO of the Kenya National Innovation Agency (KeNIA) Dr. Tonny Omwansa. The lecture highlighted the role of KeNIA in supporting commercialization of research.

(e) Innovations

To nurture innovation, the University participated in several activities including;

- (i) Launching of the “Innovation Action Plan for Eldoret” 17th November, 2021. The plan, which aims at making Eldoret a model innovation hub and

centre of excellence in Kenya, was created by Knowledge Transfer Network (KTN), Global Alliance Africa Place and funded by UK AID. It was launched on 17th November, 2021 in Eldoret. University of Eldoret was represented by Prof. Miriam Kinyua.

- (ii) The University innovation week took place from 17th to 19th November 2021. The theme of the innovation was "*Driving Innovation for Sustainability*".

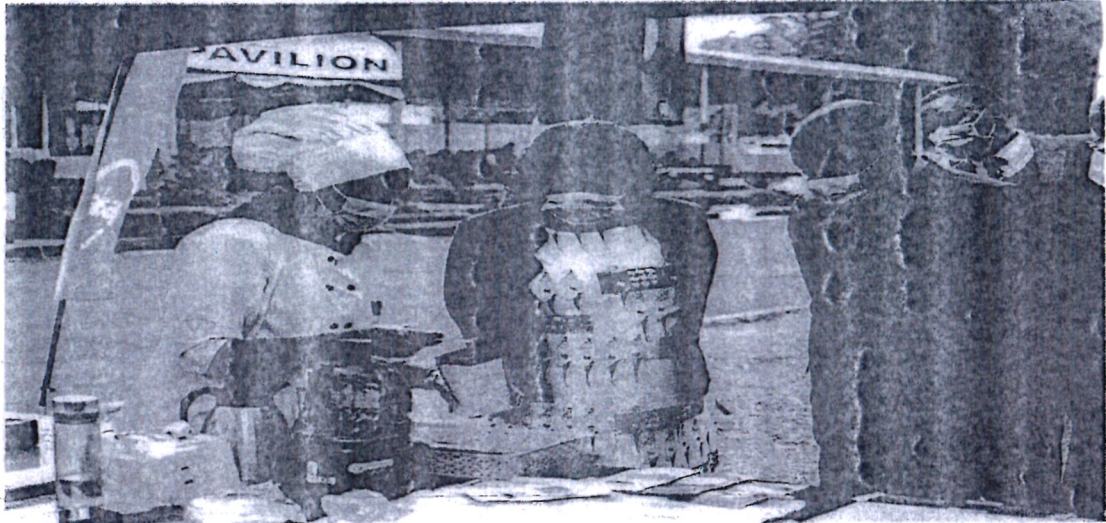


Figure 14: The Vice-Chancellor Prof. Teresa Akenga and KeNIA CEO Dr. Tonny Omwansa at an exhibition stand during the UoE Innovation Week

- (iii) Participation in the Nairobi Innovation Week (26th - 28th April, 2022) at the University of Nairobi. The theme was "*Innovation for Transformation and Impact in the society*". UOE innovators showcased their innovations and learnt from what others are doing at the national level to strengthen the Innovation portfolio at the University.

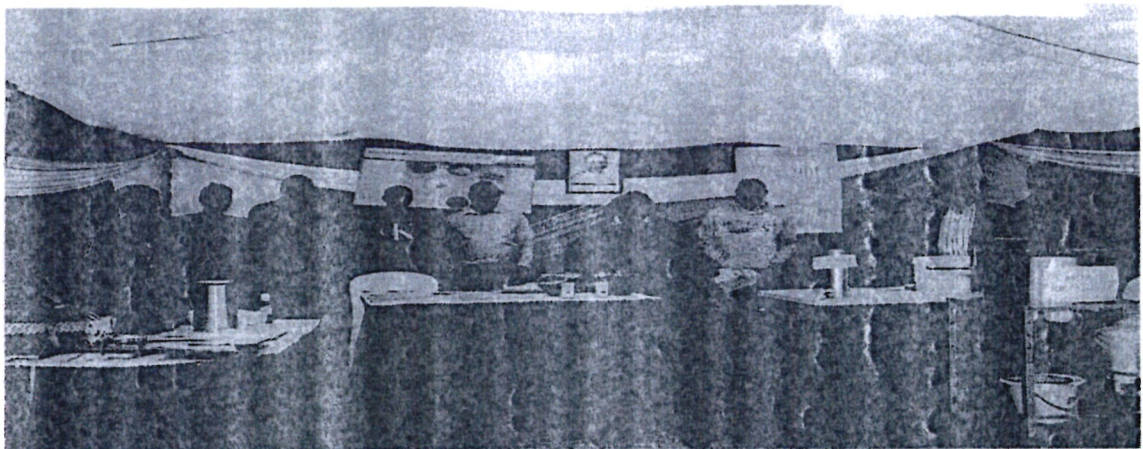


Figure 15: UoE innovators at Nairobi Innovation week

8.2.2 Resource Mobilization Activities

During the year, four main achievements were recorded under the resource mobilization objective. The first achievement involved appointment of University of Eldoret Endowment Trust Fund trustees and the registration of the fund. The fund, whose trustees are Prof. Margaret Kamar (Chair), Amb. Prof. Julius Bitok, Ms. Rita Kavesha and Mr. Ajay Shah was launched by the Chancellor on August 20th, 2021.

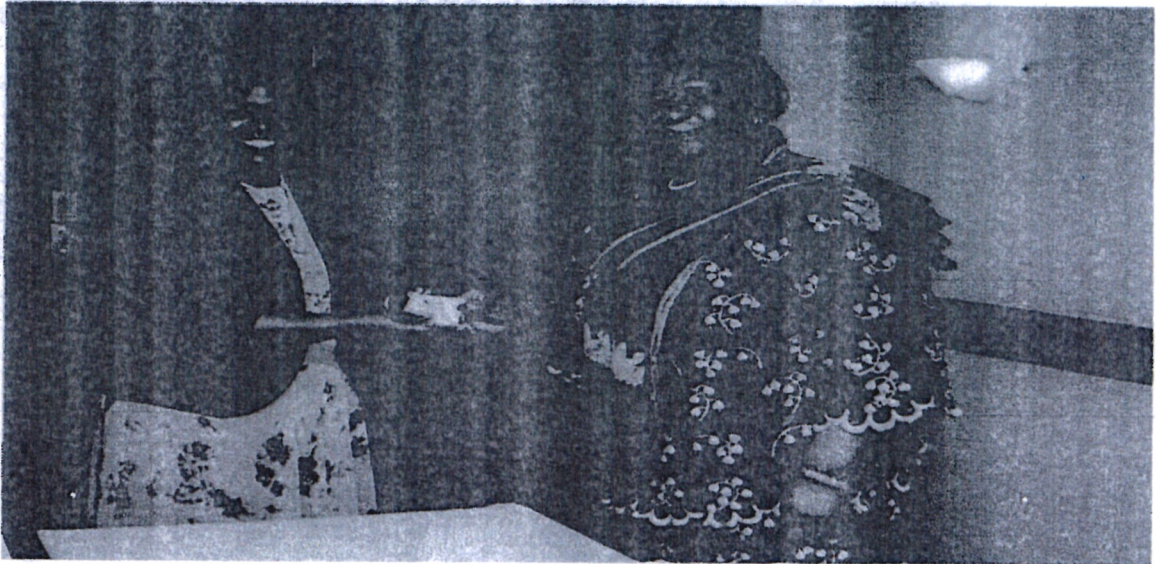


Figure 16: The Chancellor, Amb. Prof. Judith Mbula Bahemuka and the Chair of Board of Trustees Prof. Margaret Kamar

The second achievement is the moderate growth of profits from the income generation units (IGUs). In the year under review, the university IGUs made a net profit of **Kshs.13,481,987** representing an increase of **Kshs.9,316,893** compared to 2020-2021 (Figure 17).

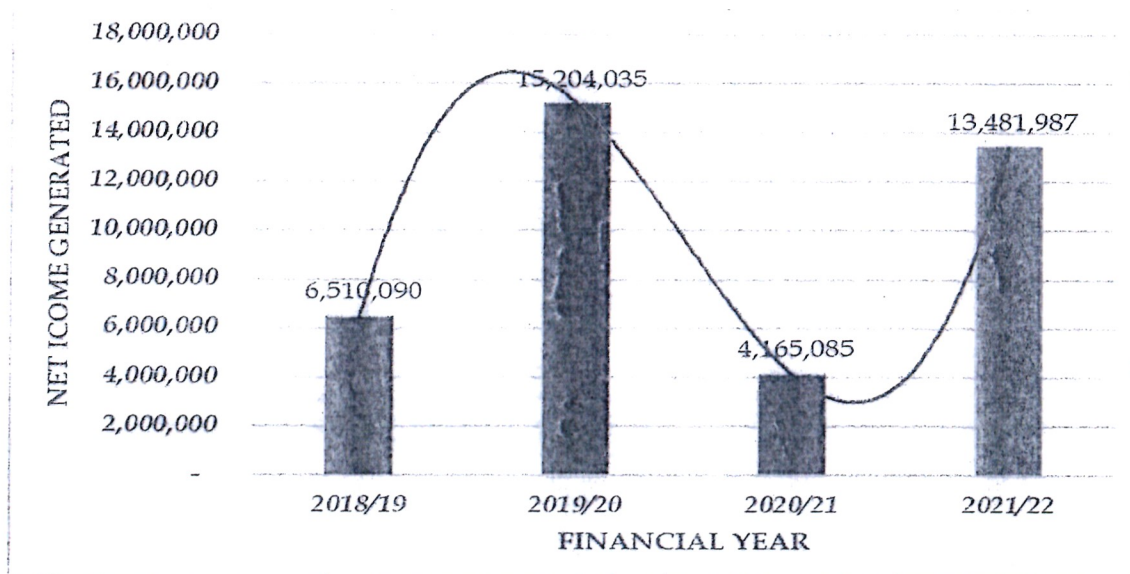


Figure 17: IGU performance trends between 2018 - 2022

The third achievement is the preparations of three business plans which have been approved by the University Management as summarized in Table 11.

Table 11: Approved Business Plans

Product	Target	Duration	Tuition
GIS/Remote Sensing Short Course	Graduates & practitioners	2 weeks	50,000
Environmental Impact Assessment (EIA) Course	Graduates & practitioners	3 weeks	65,000
Mushroom production	University community and beyond	N/A	N/A

Finally, the Directorate has initiated the process of registering an IGU Company. The company name has been approved by the University and process of registering/reserving the name is on-going.

8.2.3 Outreach Activities – Linkages, Partnership and Collaborations

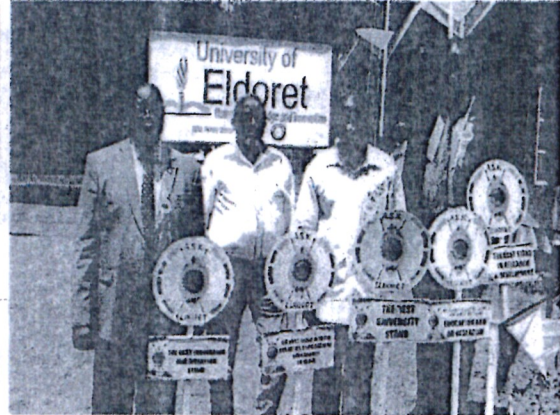
The University strives to fulfil its extension mandate by organizing and participating in both research dissemination and technology transfer through outreach activities. One of these activities is participation in the ASK Eldoret show between 2nd and 5th March, 2022, where the University won several awards as shown in Table 12

Table 12: Awards won at the Eldoret ASK Show, 2022

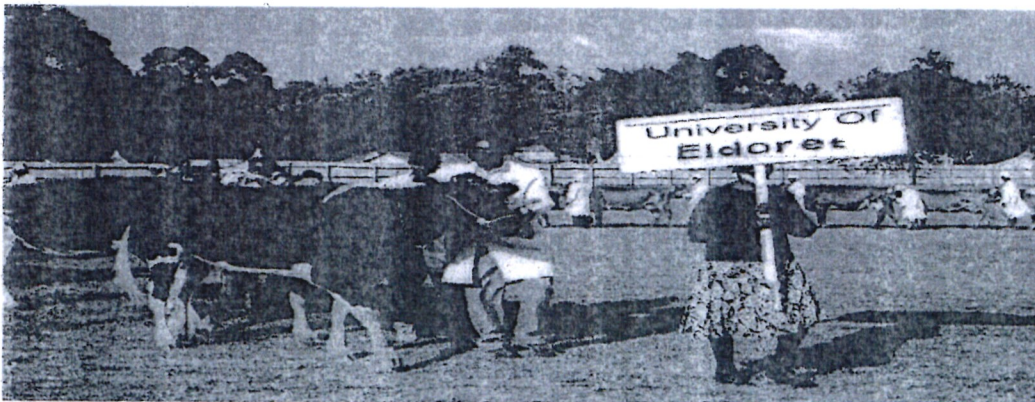
	Category	Position
1	Research and Innovation	1 st
2	Youth Activities, Empowerment and Capacity Building	1 st
3	Best Universities Stand	2 nd
4	Education and Research	3 rd
5	Research and development	3 rd
6	Livestock	1 st



(18a)



(18b)



(18c)

Figure 18: a) receiving the trophies during the closing ceremony, b) The prices won, c) UoE dairy cattle than won the best price at the show

The University collaborated with the neighboring counties and transferred relevant technologies in crop, animal and fish farming to the youth, women and farmers by conducting over ten (10) training sessions across different value chains.



Figure 19: UoE trainer on training session

8.2.4 Infrastructure Development and Maintenance

During the FY 2021/2022 the university continued to develop and maintain physical and technological infrastructure to support teaching and learning activities using exchequer funds and A-in-A as highlighted below.

(a) Schools of Economics and Business Management Sciences Complex

The Schools of Economics and Business Management Sciences Complex, consisting of 2 wings of 3 floors of lecture rooms and one floor of offices was completed and has been occupied. This project provides the much-needed teaching and office space, significantly easing the space shortage challenge.

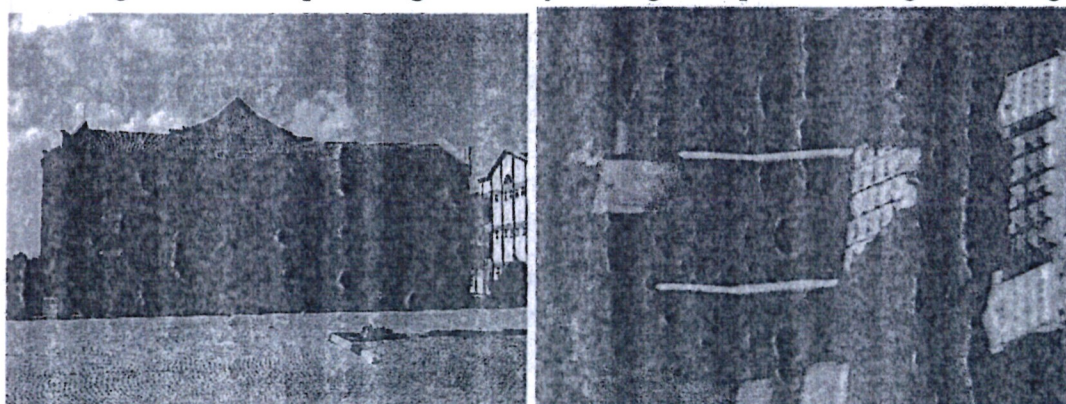


Figure 20: Schools of Business & Management Sciences Complex Front & Aerial Elevations

(b) School of Education Amphitheatre

The construction of the proposed 1,500-seater School of Education Amphitheatre progressed to roofing and is expected to be completed by December 2022. When completed, this project will provide a facility for teaching large classes as well as hosting of events such as conferences, drama and musical festivals.

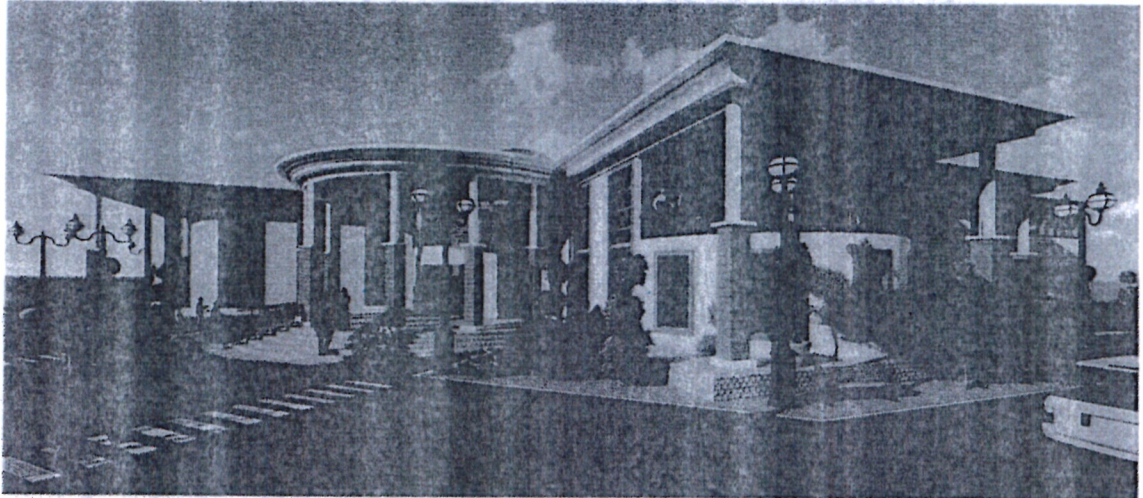


Figure 21: Artist's impression of the Proposed Amphitheatre

(c) Perimeter wall

The construction of the 9 km masonry perimeter wall progressed by another 1 km, making the total about 5km. In addition, construction of another 1.5 km wall was commissioned and is in progress. Once completed, the perimeter wall will secure the university property as well as enhance safety and security within the University.

(d) Maintenance Works

Several refurbishment works were done. During the year under review. Some of the key ones include:

- i) Creation of an office for the Endowment Trust Fund at the University of Eldoret Town Campus to host the Trustees and guests to the fund.
- ii) Creation of a modern Fish Genetics Research Laboratory to house the **Kshs.50 million** equipment from the National Research Fund.

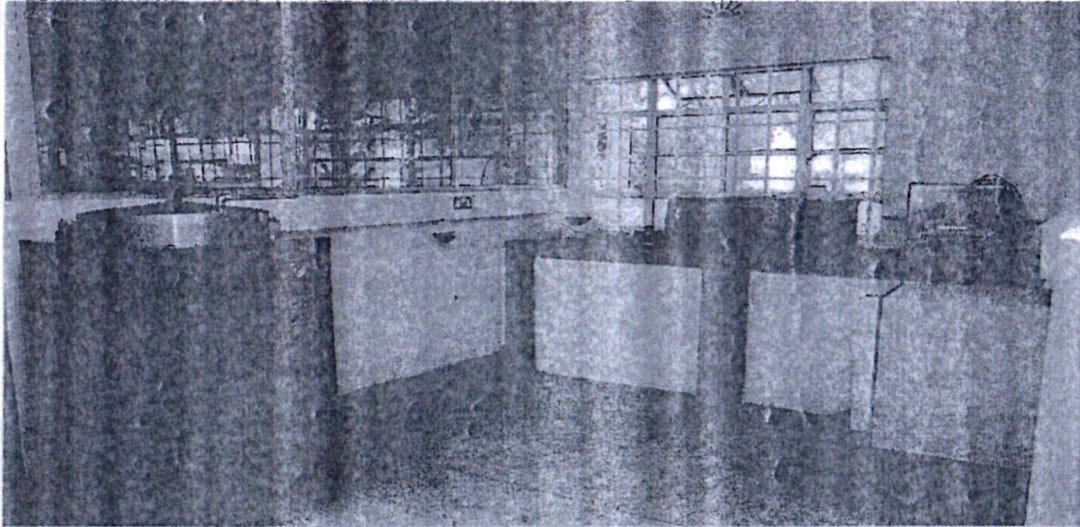


Figure 22: Inside the Renovated Fish Genetics Lab

- iii) Paving 350m of internal road linking Forestry building to NS and construction of 2km of paved walk-ways covering various sections in the University (Figure 23),



Figure 23: Improved internal road network

- iv) The university also commenced the installation of additional CCTV cameras and solar street lights along strategic areas.
- v) In addition, the university is refurbishing 2 No basketball courts and 2No lawn tennis courts at the sports grounds to improve students' welfare. The

University has also continued to improve the living conditions by refurbishing the hostels.

8.2.5 Technological Infrastructure

To support academic and administrative functions, the ICT directorate is continuously expanding its infrastructure. The local area network (LAN) was extended to cover the farm and the clinic. Several ERP modules, including leave management were activated.

Significant investment has been made in the expansion of ICT infrastructure by upgrading the network edge to Gigabit speeds. Staff and students now enjoy internet bandwidth speeds in excess of 500Mbps and the University is operating at 800Mbps. Wireless internet coverage will also be expanded to students Hostels and Lecture halls by the end of the 2022/2023 financial year.

8.3.0 ADMINISTRATIVE DIVISION

To support the University in achieving its core mandate, the division coordinates all the administrative functions including staff recruitment, training and development, staff performance appraisal/reviews and general staff welfare matters. Other functions include management of health, transport, catering, hostels and cleaning services. These activities address one of the strategic objectives of the university: to attract and retain competent human resource. Main activities and achievements of the division during the period under review are highlighted in this section.

8.3.1 Staffing and Staff Movement

The total number of staff in the university as at 30th June stood at **1144**, indicating a decrease of **3.61%** compared to the 2020/2021FY. Figure 1 presents staff distribution in terms of gender, terms of service, grades and academic/non-academic categorization.

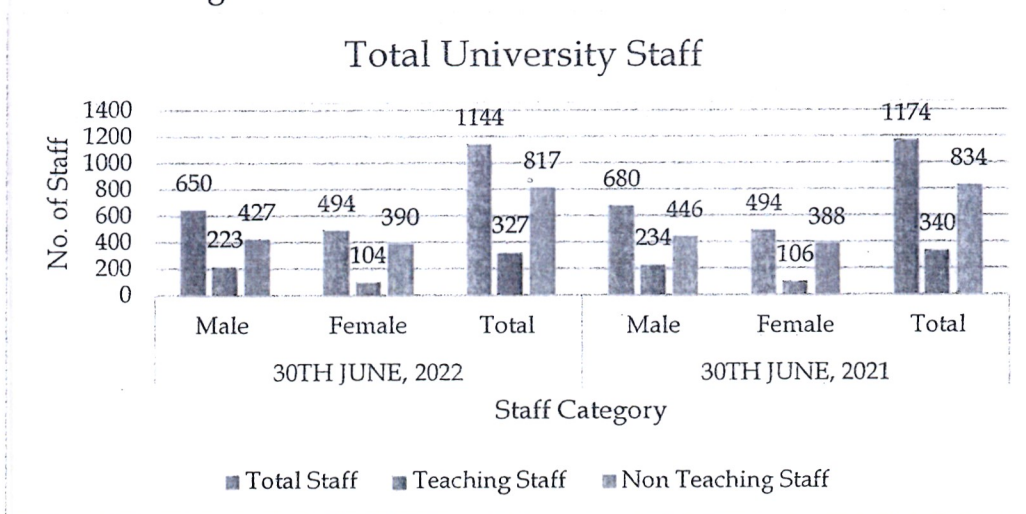


Figure 24: Distribution of staff sex and category

Staff movement entails internal (reviews/promotions) and external (recruitments and separation). There were no reviews or promotions due to budgetary constraints. During the period, forty-nine (49) staff exited the service of the University through retirement, resignation and demise in service, while 23 staff were recruited.

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The university continues to support the Government Internship programme. During the period under review, the Public Service Commission deployed sixty (60) interns to the University under the PSIP.

One of the criteria for assessing university quality is the composition of academic staff. Figure 25 presents staff distribution of academic staff in terms of levels.

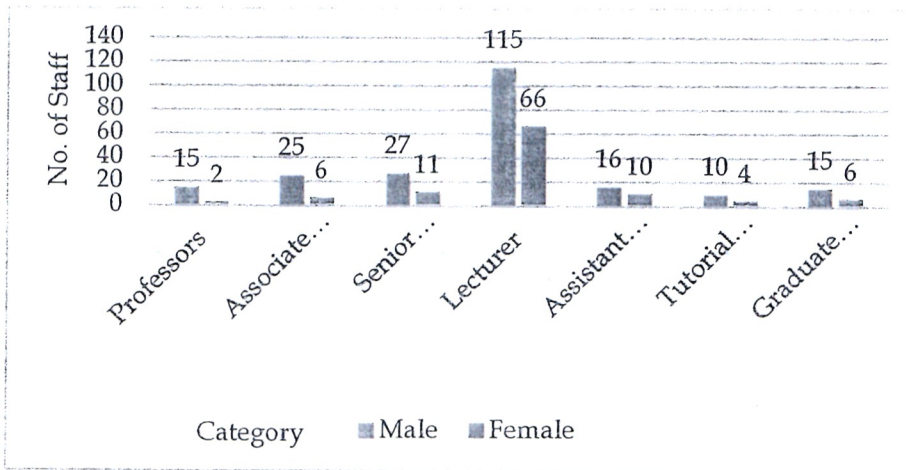


Figure 25: Distribution of academic staff per grade

In compliance with the Constitution (National Values and Principles), the University has employed people from all regions of Kenya. Figure 26 presents staff distribution in terms of regions.

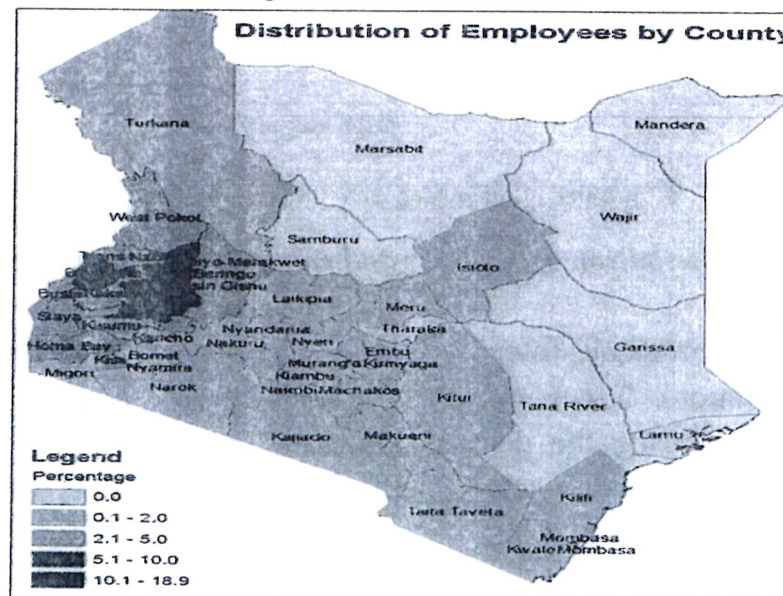


Figure 26: Staff distribution per region

8.3.2 Staff Welfare

Staff attraction, retention and performance is known to be positively correlated to staff welfare which include remuneration and other benefits such as medical, housing and other allowances as well as a good working environment. Through continuous engagement with unions, the University ensured smooth running of its programs throughout the year. In addition, the University has made efforts to pay the enhanced salaries as per the nationally negotiated CBA 2017-2021.

The University management formed a committee to handle University staff welfare matters. Key aspects that was handled by this committee included staff training, fee waivers for staff and their dependants, scholarships, medical benefits and other matters that helps in improving the employee welfare and productivity. This is important to meet the university objective of attracting and retaining competent staff.

8.3.3 Support Services

The Division supervises support services including cleaning, catering and accommodation, transport and health services. To enhance efficiency and release more staff to directly support the core mandate, the University is systematically outsourcing support services to private firms. Currently, about 50% of cleaning is carried out by private firms and by the end of the next financial year, security services will also be provided by external suppliers. During the period, the University boarded and disposed eighteen (18) motor vehicles and one (1) motor cycle. The proceeds realized were used to acquire a new vehicle KDG 333C, part of the efforts to improve our fleet. The University trained twenty-nine (29) drivers on defensive driving through the Auto Mobile Association of Kenya (AA) on 30th and 31st May, 2022. This activity is part of Road Safety Mainstreaming in the University.

8.3.4 The University Farm

The University farm has diversified its activities as a step towards improving its income base as well as to support the "Food and Nutrition Security" component of the Big 4 Agenda. The main farming activities include crop production (maize, wheat and horticulture), dairy, mushroom production and aquaculture. During the year under review, the University planted 150 acres of maize, 200 acres of wheat and a few acres were put under horticultural crops and canola.



Figure 27: Maize crop in the University

The University has a dairy herd consisting of about 150 livestock at different ages. The daily milk production stands at approximately 400kgs.



Figure 28: Part of dairy herd at the University farm

The University is expecting to receive some dairy value-addition equipment including a pasteurizer, a milk ATM and total ratio food mixer through the YABBIC project. Plans for installing and operationalization of these equipment are at an advanced stage. To support the food and nutrition security agenda, the University has diversified its farm operations to include non-traditional activities such as mushroom production and aquaculture. In 2021/22 FY, 300kg of mushrooms was produced. The figure is expected to increase with the completion of the Mushroom Production Unit being constructed through the ENABLE Youth

Kenya project. The University operates a fish farm consisting 16 ponds, specializing in the production of table size tilapia fish.

8.3.5 Health Services

Staff and student health and wellbeing is crucial to delivering on the core mandate of the University. The University offers medical services to all students and staff through the University clinic and external health service providers. In addition, the University strives to maintain a healthy working environment through the Public Health section. The university, in an effort to enhance health care service provision, invested in refurbishment of the pharmacy and laboratory. The process of registration of the Health Clinic with NHIF was also initiated. Currently the university has commenced the process of automation of health scheme management and the same is expected to be completed in the next financial year.

8.3.6 Governance

To improve governance and corporate image, the University undertook several activities which are summarized in Table 12.

Table 12: Enhancing Security Information Security

	Activity	Objective	Dates
1	Information Security Management System (ISMS) ISO 27001: 2013 Certification process	Enhance security of information in the university	Ongoing

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Corporate Social Responsibility (CSR) is one of the University’s core business as provided by the Universities Act 2012 of Laws of Kenya. CSR helps in creating a sense of goodwill between the university and its internal and external stakeholders. Through CSR initiatives, University of Eldoret seeks to integrate the interests of all stakeholders, including employees, students, partners and the community in its business operations and values. CSR initiatives include: field courses, student community outreach activities, annual Agribusiness trade fair and exhibitions, environmental conservation and sustainability, donating to charities and sponsoring local events. Towards this end, the following activities were carried out to support CSR in 2021-2022 FY.

(a) Environmental Conservation

To support the University’s commitment to environmental conservation and reduction of environmental impact, the University was engaged in the activities summarized in Table 13.

Table 13: Community Partnership Events

Event	Partners	Date	Achievements
Launch of the Global Climate Change Week	Team Environment Kenya (TEK), NEMA, KFS, KEFRI, KWTA, NYS, Planetary Health Alliance, Uasin Gishu County	October 27 th 2021	Tree planting and awareness creation
Environmental Impact Assessment (EIA) & Environmental Audit Course	Universities, County Governments and individuals	October 4 th - 22 nd 2021 & May 9 th -27 th 2022	Trained 81 Associate and Lead experts for accreditation
Venture4Change (V4C) Training	Boehringer Ingelheim Pharmaceutical Company & Ashoka through AMPATH-Kenya	Ongoing	Youths from various universities trained



Figure 29: Tree Planting Activity at University's grounds to mark Global Climate Change Week

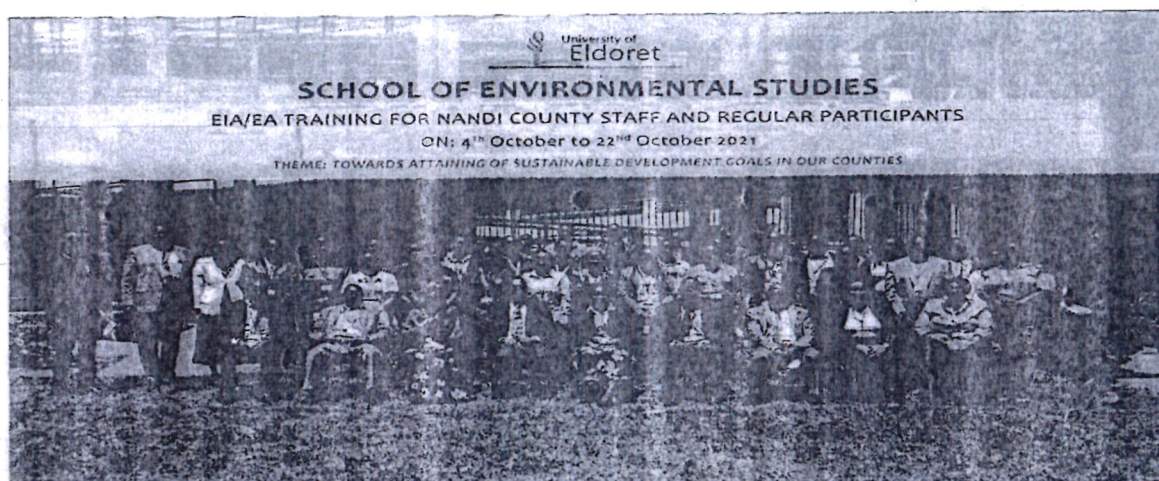


Figure 30: Environmental Impact Assessment (EIA) and Environmental Audit (EA) Training

(b) Community Outreach

As part of integrating with the neighboring community and fulfilling our duty to our neighbors, the University was involved in the following CRS activities:

Table 14: Community CSR Activities

Group	Activity	Date	Achievements
Turkana County	Donation of food and hygiene products	February 8 th - 10 th 2022	Supported St. Benedict School of Hearing Impairment, St. Luke Home for the Deaf & Lodwar Rescue Centre

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Group	Activity	Date	Achievements
Lodwar Boys High School	Career talk	February 8 th - 10 th 2022	Empowered students with knowledge on courses and requirements
Moi Kapsowar Girls' High School	Charity and Conservancy Race	30 th October 2021	Sensitized community and donated masks



Figure 31: Donation of Food and hygiene products to a community in Turkana County



Figure 32: Donation of Masks at Moi Kapsowar Girls' High School

VICE - CHANCELLOR
 University of Eldoret
Teresa A. O. Akenga

Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
 Vice-Chancellor

Date 27/03/2023

10. REPORT OF THE COUNCIL

The University Council submits its report together with the audited financial statements for the year ended June 30, 2022 which show the state of the University's affairs.

(a) Principal Activities

The principal activities of the University continue to be the provision of quality University education, including scientific and professional education as provided under Section 6 (1) of the University's Charter.

(b) Results


The results of the entity for the year ended June 30, 2022 are set out on page 1.

(c) University Council Members

The members of the University Council who served during the year are shown on page (v).

(d) Auditors

The Officer of Auditor General is responsible for the statutory audit of the University in accordance with the Section 68 (2) (k) of the Public Finance Management (PFM) Act, 2012.

By Order of the Council
VICE - CHANCELLOR
University of Eldoret


Prof. Teresa A. O. Akenga, MRSC, MBS, MBA

Vice - Chancellor and Secretary to Council

11. STATEMENT OF COUNCIL'S RESPONSIBILITIES

Section 68 (2) (k) of the Public Finance Management Act, 2012 and section 14 (1) of the State Corporations Act, require the Council to prepare financial statements in respect of that University, which give a true and fair view of the state of affairs of the University at the end of the financial year/period and the operating results of the University for that year/period. The Council is also required to ensure that the University keeps proper accounting records which disclose with reasonable accuracy the financial position of the University. The Council is also responsible for safeguarding the assets of the University. The Council is responsible for the preparation and presentation of the University's Financial Statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year (period) ended on June 30, 2022.

These responsibilities include:

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

The Council accepts responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, 1986. The Council is of the opinion that the University's financial statements give a true and fair view of the state of University's transactions during the financial year ended June 30, 2022, and of the University's financial position as at that date. The Council further confirms the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial control.

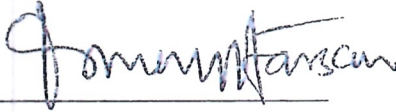
University of Eldoret

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

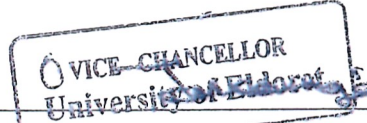
Nothing has come to the attention of Council to indicate that the University will not remain a going concern for at least the next twelve (12) months from the date of this statement.

Approval of the financial statements

The University's financial statements were approved by the University Council on _____ and signed on its behalf by:



Dr. Ismail Buro Hassan
Chairman of Council

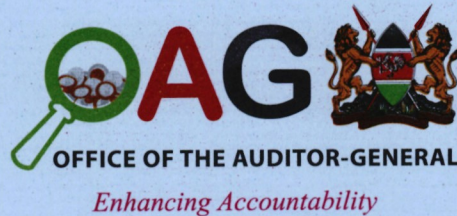


VICE-CHANCELLOR
University of Eldoret

Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
Vice-Chancellor

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON UNIVERSITY OF ELDORET FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of University of Eldoret set out on pages 1 to 43, which comprise of the statement of financial position at 30 June, 2022, 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 the University of Eldoret as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Universities Act, 2012.

Basis for Qualified Opinion

1.0 Unsupported Student Debtors

The statement of financial position reflects receivables from exchange transactions amounting to Kshs.250,082,912. The amount includes student debtors balance of Kshs.234,564,771 as disclosed in Note 23(a) to the financial statements. However, student debtor's movement schedule showing the opening balances, additions during the year, receipts/payments made and the closing balances was not provided for audit verification.

In the circumstances, the accuracy and completeness of student debtors amount of Kshs.234,564,771 could not be confirmed.

2.0 Unsupported Other Payables from Student Transactions

The statement of financial position reflects other payables from student transactions amounting to Kshs.206,543,788 as further disclosed in Note 28(b) to the financial statements. The amount includes tuition fees received but not credited to the students accounts totalling to Kshs.62,270,832 as shown below:

Item	Amount (Kshs.)
HELB - Loan Students	5,376,080
HELB - Bursaries	186,000
CDF-Constituencies Development Fund	20,912,584
Sponsorship	22,292,977
Unallocated Fee	13,503,191
Total	62,270,832

However, Management seems not to be making any efforts to identify the beneficiaries of the tuition fee received and subsequently post it to the relevant revenue streams and credited to the student ledgers.

In the circumstances, the completeness and accuracy of other payables from student transactions balance of Kshs.62,270,832 could not be confirmed.

3.0 Lack of Ownership Documents

The statement of financial position reflects property, plant and equipment amounting to Kshs.1,041,025,765 as disclosed in Note 25 to the financial statements. The amount includes motor vehicles net book value of Kshs.2,797,502 for seventy five (75) vehicles. However, ownership documents for forty-three (43) vehicles recorded in the assets register were not provided for verification.

In the circumstances, the completeness, rights and obligations to the motor vehicles of Kshs.2,797,502 could not be confirmed.

4.0 Statement of Changes in Net Assets

The statement of changes in net assets reflects under revenue reserves, negative adjustments of Kshs.20,160,713 described as opening balances and Kshs.6,622,970 as prior year adjustments. The Management has explained that these adjustments related to prior years. However, a prior year adjustment explanatory note has not been included in the notes to the financial statements.

In the circumstances, the accuracy of the statement of changes in net assets could not be confirmed.

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

Key Audit Matters

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

Other Matter

Loss Making Income Generating Activity

The statement of financial performance for the year ended 30 June, 2022 reflects Income Generating Activities (IGA) income of Kshs.13,481,987 which is an improvement from the profit made in the comparative year of Kshs.4,165,085. However, on individual IGA performance, catering made a loss of Kshs.989,857, down from a profit of Kshs.73,405 in the previous year. Management has not provided an explanation for the decline and steps to reverse the trend.

In the circumstances, losses by IGA's affect the overall financial performance of the University.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Delayed Completion of Construction Works

The statement of financial position reflects Work-In-progress (WIP) amounting to Kshs.462,784,145 as disclosed in Note 26 to the financial statements. The balance includes construction of School of Business Studies and Economics Complex amount of Kshs.241,640,240. However, the project had not been commissioned three (3) years seven (7) months after the completion date of 31 May, 2019. Review of documents revealed that the project was initially planned to be completed on 6 September, 2017 but was 31 May, 2019. At the time of physical verification on 25 January, 2023 the project still had some works/defects to be corrected.

Further, the work in progress balance includes proposed construction of Ampitheatre amount of Kshs.143,302,860. Review of records revealed that the contract was awarded at a contract sum of Kshs.373,000,000 for a period of 78 weeks starting 10 June, 2019 and ending on 14 December, 2020. Physical verification in the month of January, 2023 revealed that the works were at 65 %, nine (9) months after the revised completion date of 21 April, 2022.

In the circumstances, value for money was not achieved.

2.0 Acting Positions and Allowances

Note 10(a) to the financial statements reflects staff remuneration cost amounting to Kshs.1,729,391,983 which included personal emoluments amounting to Kshs.1,086,682,735 out of which Kshs.8,315,307 was paid as acting allowance. However, some employees had acted for more than six months without being confirmed. This contrary to Clause 26.10(c) of the Supplementary collective bargaining agreement (CBA) between University and Universities Academic Staff Union (UASU) which states that where a vacancy exists in the office of a Head of Department, an acting appointment may be confirmed within six months. Further, the positions against which the staff were acting were not supported by staff establishment and declaration of vacancies.

In the circumstances, the Management was in breach of Collective Bargaining Agreement (CBA) between University and Universities Academic Staff Union.

3.0 Non-Compliance with the National Cohesion and Integration Act, 2008

Review of personnel records revealed that the University has 1,169 employees out of whom 662 or 57% of the total number were staff from one dominant community contrary

to Section 7(1) & (2) of the National Cohesion and Integration Act, 2008 stating that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

In the circumstance, the Management was in breach of the National Cohesion and Integration Act, 2008.

4.0 Budget Performance

The statement of comparison of budget and actual amounts reflects a final revenue budget of Kshs.2,441,108,226 against an actual performance of Kshs.2,487,388,141 thereby leading to over collection of revenue by Kshs.46,279,915. Similarly, the statement reflects a final expenditure budget of Kshs.2,441,108,225 against an actual expenditure of Kshs.2,424,731,307 thereby leading to an unauthorized over expenditure of Kshs.16,376,919.

The over expenditure is an indication of funds not applied for the intended purpose.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1.0 Long Outstanding Debtors

The statement of financial position reflects receivables from exchange transactions amounting to Kshs.250,082,912 which includes student debtors amount of Kshs.234,564,771 as disclosed in Note 23(a) to the financial statements. However, the following observations were made:

- i. Out of the student's debtors balance of Kshs.234,564,771, an amount of Kshs.183,162,464 has been outstanding for a period of over 4 years and its recoverability is doubtful. The Management has however not provided measures taken to recover the funds from concerned students.
- ii. Included in receivables from other transactions is staff imprest amounting to Kshs.6,105,152. The balance includes imprest totalling to Kshs.4,492,107 which has

been outstanding for a period of over four (4) years and the Management has not recovered the imprest from the salaries of the defaulters.

- iii. Ageing analysis for general debtors amounting to Kshs.3,888,422 was not provided for audit review and therefore how long they have been outstanding could not be confirmed.

In the circumstances, the recoverability of receivables from exchange transactions is in doubt and operations of the University may not run effectively.

2.0 Trade Payables from Exchange Transactions

The statement of financial position reflects under liabilities, trade payables from exchange transactions amounting to Kshs.100,633,483 as disclosed in Note 28(a) to the financial statements. Review of the ageing analysis of the payables revealed that amount totalling to Kshs.58,041,251 have been pending for over 90 days with the bulk of payables being medical bills owed to health services providers amounting to Kshs.33,369,628.

In the circumstances, the University may be unable to render normal service to stake holders due to lack of regular supplies by contracted firms.

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 Management and the 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 overall governance.

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

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

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

The 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the University to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the University to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 May, 2023

University of Eldoret


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

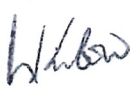
13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2022


STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2022

	Notes	30-Jun-22	30-Jun-21
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Exchequer Grants (Recurrent)	2	1,973,108,226	1,888,630,846
		<u>1,973,108,226</u>	<u>1,888,630,846</u>
Revenue from exchange transactions			
Tuition Income	3	322,242,207	276,683,405
Administrative and Related Fees	4	138,843,630	155,401,179
Graduation Fees	5	13,575,600	4,732,300
Accommodation Fees	6	10,062,619	8,584,700
Income Generating Activities Income	7	13,481,987	4,165,085
Research Administrative Fees	8	3,605,877	1,879,439
Other Income	9	12,467,995	7,941,085
		<u>514,279,915</u>	<u>459,387,194</u>
Total revenue		2,487,388,141	2,348,018,040
Expenses			
Staff Remuneration Costs	10(a)	1,729,391,983	1,649,257,127
Staff Gratuity and Pension Contributions	10(b)	155,956,325	170,766,639
Staff and Student Welfare	11	93,558,192	69,936,426
Chancellors Expenses	12(a)	630,795	257,540
Council Expenses	12(b)	14,342,102	12,160,894
Administration and Central Services Expenses	13	65,891,136	50,634,682
Academic, Research & Student Affairs Expenses	14	121,516,353	98,119,450
Planning, Research & Extension Expenses	15	34,250,542	16,471,852
Support Services	16	139,408,544	106,767,002
Finance Expenses	17	2,282,094	1,379,028
Amortization/Depreciation Expenses	18	67,503,240	78,791,539
Total expenses		2,424,731,307	2,254,542,179
Other gains/(losses)			
Gain/(Loss) on Biological Assets	19	1,347,135	(3,103,882)
Increase/(Decrease) in Provision for Bad Debts	19	1,205,110	1,492,160
Gain/(Loss) on Foreign Exchange Transactions	19	(13,268)	-
Gain/(Loss) on Disposal of Assets	19	4,073,130	-
Total Gain/(Loss)		6,612,107	(1,611,723)
Surplus/(Deficit) for the period		69,268,941	91,864,138

The notes set out on pages 7 to 39 form an integral part of these Financial Statements.


Prof. Teresia O. Akenga
 Vice-Chancellor


CPA, FA. Ereu K. Totona
 Ag. Finance Officer


Dr. Ismail Buro Hassan
 Chairman of Council

Date.....27/03/2023.....

Date.....24/03/2023.....

Date.....03/4/2023.....

ICPAK. No. 11856

University of Eldoret

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

14. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

Assets	Notes	30-Jun-22	30-Jun-21
Current assets			
Cash and cash equivalents (Operations)	22(a)	470,886,401	492,594,567
Cash and cash equivalents (Donor & Agency)	22(a)	102,106,574	121,925,661
Receivables from exchange transactions	23(a)	250,082,912	310,333,973
Inventories	24	43,543,582	59,145,779
		866,619,468	983,999,980
Non-current assets			
Property, plant and equipment	25	1,041,025,765	1,089,753,459
Work in Progress (WIP)	26	462,784,145	397,511,688
Biological Assets	27	22,056,265	20,709,130
		1,525,866,176	1,507,974,277
Total assets		2,392,485,644	2,491,974,257
Liabilities			
Current liabilities			
Trade payables from exchange transactions	28(a)	100,633,483	95,015,532
Other payables from students transactions	28(b)	206,543,788	203,589,180
Other payables from payroll dues	28(c)	59,808,988	172,151,528
Accruals & Provisions	29	127,125,425	193,335,745
Research Projects & UESO Agency Payable Accot 30		82,647,445	107,886,954
Total liabilities		576,759,129	771,978,940
Net assets		1,815,726,515	1,719,995,317
Capital Reserves		1,501,760,704	1,473,572,442
Revenue Reserves - Surplus/(Deficit)		313,965,812	246,422,876
Total net assets and liabilities		1,815,726,515	1,719,995,318

The notes set out on pages 7 to 39 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed on behalf of Council on:

.....

VICE-CHANCELLOR
 University of Eldoret
 Prof. Teresa A. O. Akenga
 Vice-Chancellor

Date 24/03/2023

h/dibon
 CPA, FA. Ereu K. Totona
 Ag. Finance Officer

Date 24.03.2023
 ICPAK. No. 11856

Ismael Buro Hassan
 Dr. Ismael Buro Hassan
 Chairman of Council

Date 03/4/2023

15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE, 2022

	Capital Reserve	Revenue Reserves	Total
	Kshs	Kshs	Kshs
Balance as at 30 June 2020	1,448,853,736	178,906,628	1,627,760,364
Capital Grants	36,530,444	-	36,530,444
Surplus/(deficit) for the period	-	91,864,138	91,864,138
Opening Balances	-	(40,588,785)	(40,588,785)
Prio years adjustments	-	4,429,157	4,429,157
Transfer of depreciation/amortisation from capital fund to retained earnings	(11,811,738)	11,811,738	-
Balance as at 30 June 2021	1,473,572,442	246,422,876	1,719,995,318
Capital Grants	40,000,000	-	40,000,000
Surplus/(deficit) for the period	-	69,268,941	69,268,941
Opening Balances	-	(20,160,713)	(20,160,713)
Prio years adjustments	-	6,622,970	6,622,970
Transfer of depreciation/amortisation from capital fund to retained earnings	(11,811,738)	11,811,738	-
Balance as at 30 June 2022	1,501,760,704	313,965,812	1,815,726,515

Capital Reserves

Capital reserves relate to accumulated funds received as capital grants from the Exchequer and those generated internally for physical and infrastructural development purposes in each year. **Kshs.40.00 million** was received and expended as required 2021/2022 Financial Year.

Prior Year adjustment of **Kshs.6.62 million** relates to adjustments for Student debtors and Creditors which relates to prior years which were adjusted after analysis and confirmations as well as other prior year corrections.

Transfer of Capital depreciation adjustment to other income of **Kshs.11.81 million** represents depreciation amount on buildings transferred from work in progress upon completion constructed from Capital grants from Government written off gradually over the life of these buildings.

16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2022

	Note	30-Jun-22 Kshs.	30-Jun-21 Kshs.
Cash flows from operating activities			
Receipts			
Exchequer Grants (Recurrent)	2	1,973,108,226	2,142,062,985
Tuition Income	3	382,058,373	388,031,897
Administrative and Related Fees	4	141,032,450	156,672,179
Graduation Fees	5	13,575,600	4,732,300
Accommodation Fees	6	10,062,619	8,584,700
Income Generating Activities Income	7	13,482,242	4,253,575
Research Administrative Fees	8	3,605,877	1,879,439
Other Income	9	12,467,995	7,941,085
		2,549,393,381	2,714,158,161
Payments			
Staff Remuneration Costs	10(a)	1,822,173,192	1,841,068,126
Staff Gratuity and Pension Contributions	10(b)	175,365,231	175,815,925
Staff and Student Welfare	11	91,482,981	69,936,426
Chancellors Expenses	12(a)	630,795	328,340
Council Expenses	12(b)	14,148,682	12,090,094
Administration and Central Services Expenses	13	56,929,557	61,922,927
Academic, Research & Student Affairs Expenses	14	195,741,715	133,337,169
Planning, Research & Extension Expenses	15	36,950,648	16,471,852
Support Services	16	133,051,308	106,767,002
Finance Expenses	17	2,282,094	1,379,028
		2,528,756,203	2,419,116,890
Changes in Payables			
Refundable Deposits from Customers	30	(206,345)	-
Research Projects	30	(21,222,138)	26,512,398
UoESO Fund Accounts	31	(4,017,371)	2,931,950
Agent Liability Accounts	32	-	(4,327,250)
		(4,808,675)	320,158,369
Net cash flows from operating activities			
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible	25	(18,775,546)	(35,110,538)
Proceeds from sale of property, plant and equipment	26	4,073,130	-
Increase in work in progress (WIP)	27	(65,272,457)	(130,072,810)
Decrease/(Increase) in Capital Deptn. Adjustment	28	3,256,296	(37,595,594)
		(76,718,578)	(202,778,942)
Cash flows from financing activities			
Government Capital grants		40,000,000	36,530,444
		40,000,000	36,530,444
		(41,527,253)	153,909,871
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning	22(a)	614,520,227	460,610,356
Cash and cash equivalents at the end	22(a)	572,992,974	614,520,227

A, B, C, D, E, F & G are under Appendix 3: Statement of Cash Flows Notes

Notes to the financials in pages 7 to 39 form an integral part of the financial statements.

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17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AS AT 30 JUNE 2022

	Approved		Revision	Approved		Actual on	Performance		Explntn
	Original Budget	Kshs		Revised Budget (ARB)	Comparable Basis (ACB)		Difference	material variance	
Revenue		Kshs		Kshs		Kshs		Kshs	
Exchequer Grants (Recurrent)	2	1,965,428,464	7,679,762	1,973,108,226	1,973,108,226	-	0%		
Tuition Income	3	265,238,000	41,475,037	306,713,037	322,242,207	15,529,170	5%		
Administrative and Related Fees	4	100,210,100	35,392,760	135,602,860	138,843,630	3,240,770	2%		
Graduation Fees	5	8,500,000	(1,551,190)	6,948,810	13,575,600	6,626,790	95% (a)		
Accommodation Fees	6	8,400,000	-	8,400,000	10,062,619	1,662,619	20% (b)		
Income Generating Activities Income	7	850,000	4,173,522	5,023,522	13,481,987	8,458,464	168% (c)		
Research Administrative Fees	8	1,900,000	(449,292)	1,450,709	3,605,877	2,155,169	149% (d)		
Other Income	9	1,039,277	2,821,785	3,861,062	12,467,995	8,606,933	223% (e)		
Total income		2,351,565,841	89,542,385	2,441,108,226	2,487,388,141	46,279,915	2%		
Expenses									
Staff Remuneration Costs	10(a)	1,717,516,375	6,901,504	1,724,417,879	1,729,391,983	(4,974,104)	0%		
Staff Gratuity and Pension Contributions	10(b)	148,970,281	(372,426)	148,597,855	155,956,325	(7,358,470)	-5% (f)		
Staff and Student Welfare	11	75,863,506	21,097,684	96,961,190	93,558,192	3,402,997	4%		
Chancellors Expenses	12(a)	1,257,540	242,460	1,500,000	630,795	869,205	58% (g)		
Council Expenses	12(b)	17,986,200	1,205,316	19,191,516	14,342,102	4,849,414	25% (h)		
Administration and Central Services	13	58,877,791	14,311,837	73,189,628	65,891,136	7,298,493	10%		
Academic, Research & Student Affairs	14	77,468,633	41,965,249	119,433,882	121,516,353	(2,082,471)	-2%		
Planning, Research & Extension Expenses	15	27,763,000	12,508,500	40,271,500	34,250,542	6,020,958	15% (i)		
Support Services	16	103,303,663	34,843,306	138,146,969	139,408,544	(1,261,575)	-1%		
Finance Expenses	17	1,479,028	555,745	2,034,773	2,282,094	(247,321)	-12% (j)		
Depreciation Expenses	18	82,103,004	(4,739,971)	77,363,033	67,503,240	9,859,794	13% (k)		
Total expenditure		2,312,589,021	128,519,204	2,441,108,225	2,424,731,307	16,376,919	1%		
Surplus for the period		38,976,820	(38,976,820)	0	62,656,834	62,656,834	3%		

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Recurrent Income and Expenditure

- (a) **Graduation Fees:** - During the year, the University graduation fees of **Kshs.13.58 million** which was 95% of expected as a result of a 2nd graduation which was uncertain.
- (b) **Accommodation Fees:** - Students opted to occupy University accommodation following renovations hence more income.
- (c) **Research Administrative fees:** -The University received a sum of **Kshs.3.6 million** as research administrative charges during the year.
- (d) **IGA's Income:** - Profits increased as a result of improved output per acre and better prices for farm produce and implementation of IGA policy.
- (e) **Other Income:** -These were mainly interest from banks which were not anticipated.
- (f) **Staff Gratuity & Pension:** - Resulted from Implementation of 2007-2021 CBA.
- (g) **Chancellor Expenses:** - Anticipated activities did not take place as planned.
- (h) **Council Expenses:** - There were exits and delayed replacements during the year.
- (i) **Research, Planning & Extension:** -
- (j) **Finance Expenses:** - This was understated during the period.
- (k) **Depreciation Expenses:** - Completed building & perimeter wall were not transferred due to delay in receipt of final certificates.

18. NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Preparation and Form of Presentation**

The Financial Statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS) pursuant to section 194(1) of Public Finance Management Act, 2012 following the gazette notice No.94 which was to take effect from 30th June, 2014. The financial statements are presented in Kenya Shilling (Kshs.) and amounts are rounded to the nearest one shilling. The financial statements are prepared on an accrual basis while the cash flow statement is prepared using the direct method.

(b) **Revenue recognition**

i) **Revenue from non-exchange transactions**

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the University and can be measured reliably.

ii) **Revenue from exchange transactions**

Tuition Income

Income from students in terms of tuition and other related charges is recognized as it accrues unless collectability is in doubt. Recurrent Exchequer grants from the government are recognized as income in the period in which they relate.

Rendering of services

The 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 approved semester dates in an academic year.

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Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the University.

(c) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the University. As a result of the adoption of the accrual basis for budgeting purposes, there are no basic, timing or differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

(d) Property, plant and equipment

The assets are recognized on the historical cost basis of accounting. All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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 as expenses as it is 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.

Amortization of Lease hold Land has been written off over the remaining lease period of **81 years** effective from June 2015 when assets were handed over to University of Eldoret from Moi University following the issuance of Charter.

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The annual depreciation rates based on straight line in use are:

Building	2%
Furniture, Fittings, Plant and equipment	12.5%
Motor Vehicles	25%
Computers	33.3%
Library Books	10%

(e) **Receivables**

Receivables are stated at their fair values. A provision for impairment is recognized in the Income and Expenditure statement in the year when the recovery of the amount is in doubt.

(f) **Biological Assets**

These are farm animals mainly livestock and agricultural crops and are recorded in the balance sheet at their estimated market value.

(g) **Trade and Other Payables**

Trade and other payables are classified at their fair value net of transactions costs and include accounts payable and unpaid wages/salaries.

(h) **Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the University.

(i) **Contingent liabilities**

Litigation

In the ordinary course of business, the University is a defendant in various litigations and claims. Although there is no assurance, the University believes

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based on information currently available that the ultimate resolution of these proceedings and claims is not likely to have a material adverse effect on the operations of the university. The cases are pending determination by the courts and some being considered for out of court settlement and it is therefore, not practical to determine the timing and final amounts (if any). Due to the nature of the cases, detailed disclosure has not been made for each case as this may be prejudicial to the position of the University.

(j) Nature and Purpose of Reserves

The University creates and maintains reserves to comply with specific requirements. Consequently the University maintains Capital and Revenue reserves as required under the statutes.

(k) Changes in Accounting Policies and Estimates

The University does not recognize the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are therefore, applied prospectively since retrospective application is impractical.

(l) Employee benefits

Retirement benefit plans

The University does not operate separate pension and provident fund schemes for eligible employees since the employees are still members of the Moi University Pension and Provident fund schemes. The assets of Moi University Pension and provident fund are held in separate trustee administered funds that are funded collectively by Moi University, University of Eldoret and the employees through their contributions.

In addition, the University also makes statutory contributions to the National Social Security Fund. The rates of contributions to the fund are determined by relevant legislations. The University's contributions to the above schemes are charged to the statement of financial performance as part of the staff costs.

(m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction.

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(n) Related Party Transactions

The university would define a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the university or vice versa. The National Treasury as a Government entity provides regularly policy guidelines and budgetary support.

In the period, the Government approved a budget of **Kshs.1.97 billion** for recurrent expenditure purposes, while **Kshs.40 million** was received for capital expenditure under the printed estimates. These amounts are reflected in the statement of financial performance and statement of changes in equity respectively. Further, members of key management are regarded as related parties and these comprise the council members and senior managers.

Transactions with related parties		
a) Sales to related parties		
Others - Interest income from deposits	8,789,419	3,556,490
Total	8,789,419	3,556,490
b) purchases from related parties		
Purchases of electricity from KPLC	26,029,091	18,031,244
Purchase of water from govt service providers	6,878,350	10,145,967
Total	32,907,441	28,177,211
b) Grants/transfers from the government		
Grants from national govt	2,013,108,226	1,925,161,290
Total	2,013,108,226	1,925,161,290
c) Expenses incurred on behalf of related party		
Payments for services for Internet (Kenet)	10,606,194	16,763,655
Total	10,606,194	16,763,655
d) Key management compensation		
Council's emoluments	13,349,022	9,566,441
Compensation to key management	62,732,590	57,495,333
Total	76,081,612	67,061,774

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(o) Cash and Cash Equivalents

Cash and Cash equivalents comprise of cash in hand and demand deposits and other short-term highly liquid investments those are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(p) Comparative Figures

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

(q) Significant Judgments and Sources of Estimation Uncertainty

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

Based on their own judgment, management has made estimates and assumptions as specified below:

Estimates and Assumptions

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

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Useful lives and Residual Values

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

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

(r) **Subsequent Events**

Covid-19 pandemic a new challenge to the university which changed our mode of teaching and required continued investment in infrastructure and training in the financial Year. The economy is recovering and the impact may not be significant on the financial statements for the year ended 30th June 2022. However, the university's going concern position is compromised, with a potential risk of technical insolvency in future. To remain sustainable in the short run, the management has considered drastic cost reduction measures and proposes online learning where practically possible. Other measures to improve sustainability include outsourcing of cleaning services, security services catering services, and maintenance of grounds to remain sustainable.

(s) **Financial Risk Management Disclosures**

The University has an integrated risk management framework/strategy. The University's approach to risk management is based on risk governance structures, risk identification, measurement, monitoring and reporting. The risk management structure and systems are reviewed regularly to ensure they are in tandem with the micro and macro environment, regulatory guidelines, industry practice, market conditions as well as the services offered.

The University's core business involves major engagements with financial transactions and processes which pose certain risks as outlined below: -

Credit risk

The university has exposure to credit risk relating to student fee debtors. This arises from challenges relating to payments of fees from students under privately sponsored students programme (PSSP), needy cases under the government sponsored students programme (GSSP) and postgraduates. Management has assessed and made a provision for doubtful debts in the financial statements. However, the university has mitigated this by encouraging students to seek funding from CDF, county governments bursaries and other sponsors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Liquidity Risk

Liquidity risk is the risk that the University will not have sufficient financial resources to meet its obligations when they fall due or will have to do so at excessive costs. This risk can arise from mismatches in the timing of cash flows from revenue and capital/operational outflows, assets and liabilities according to their maturity profiles and can occur where cash flow streams have been discontinued. Funding risk arises when the necessary liquidity to fund non-liquid asset positions cannot be met at expected terms and when required.

The objective of the liquidity and funding management is to ensure that all foreseeable operational, capital and loan commitment expenditure can be met under both normal and stressed conditions and the mismatch is controlled in line with allowable risk levels.

The University has adopted an overall balance sheet approach which consolidates all sources and uses of funds, while aiming to maintain a balance between liquidity, cash flows and interest rate considerations. The University's liquidity and funding management process includes: -

- i) Projecting cash flows and considering the cash required and optimizing the short-term requirements as well as the long-term funding,
- ii) Maintaining balance sheet liquidity ratios,

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- iii) Maintaining/soliciting for a diverse range of funding sources with adequate back up facilities,

The University's liquidity position has been unfavorable due to low funding from Exchequer mainly emanating from challenges the Government had in meeting its revenue targets. The University's main primary source of revenue receipts is from the Exchequer. Thus, Management has been pursuing for enhanced funding as well as pursuing additional sources of revenue through privately sponsored student programmes.

Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates, prices and interest rates. The objective of market risk management policy is to protect and enhance the Statements of Financial Position and performance by managing and controlling market risk exposures within acceptable parameters, and to optimize the funding of business operations and facilitate capital expansion. The University is exposed to the following market risks: -

- i) ***Currency Risk:*** - The currency risk is minimal as most of cash and cash equivalents held with banks are dominated in Kenya Shillings.
- ii) ***Interest Rate Risk:*** - The University's financial condition may be adversely affected as a result of changes in interest rate levels. The interest rate risk is minimal as the University does not have any borrowings.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the University's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as legal and regulatory requirements and generally acceptable standards of corporate behavior. However, the risk of COVID-19 pandemic is a new risk that has disrupted our operations. The University seeks to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor and report

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such risks. The management of Covid-19 pandemic is still evolving and management is addressing containment measures and business continuity to reduce its impact on our operations.

The Collective Bargaining Agreements (CBAs) 2017-2021 which was negotiated, signed and registered on 3rd July, 2020 represent a new risk to the university. The actual cost of the CBA 2017-2021 was objected by the SRC subsequent to registration at the court. However, the court delivered a ruling on 15th January, 2021, in which the Employment and Labour Relations Court held that **Kshs. 8.8 billion** allocated by the National Treasury on the advice of the SRC is not adequate to implement the CBAs in the public universities for 2017 - 2021 CBA cycle. The court further directed SRC, to work together with IPUCCF implementation Committee, the Ministry of Education and Treasury to make provision for the additional budgetary allocation necessary for implementation of the CBAs. This judgement has not been honoured by the Government by way of sufficient budgetary provisions to fully implement the CBAs, causing disquiet and poor labour relations in public universities. While we are aware that the Government through the Office of the Attorney General has filed a Notice of Appeal, there is no evidence that stay of execution orders have been obtained.

Further, the judgement has caused confusion in the sector and has resulted in varied modes of implementation depending on financial ability and sustainability assessment by individual university. This position has created labour relations problems in the university, with the staff demanding full implementation as per the judgement. The university management feels that sustainability of the CBAs without adequate budgetary provision will constraint the university leading to financial distress, including failing to remit statutory obligation, deficit budgets and therefore pending bills.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the University Council, University Management Board and the internal audit function. The responsibility is supported by the development of overall standards for the management of operational risk in the following areas: -

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- i) Requirements for appropriate segregation of duties, including the independent authorization of transactions;
- ii) Requirements for the reconciliation and monitoring of financial transactions;
- iii) Compliance with regulatory and legal requirements;
- iv) Documentation of controls and procedures;
- v) Requirements for the yearly assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- vi) Requirement for the reporting of operational losses and proposed remedial action;
- vii) Training and professional development;
- viii) Regular internal and external audits;
- ix) Ethical and business standards; and
- x) Risk mitigation, including insurance where it is effective.

Operational risks are documented in various policy documents and are managed by the Internal Audit function established to spearhead and coordinate risk management activities. The measures taken include proactively identifying, analyzing and mitigating risks in all facets of the institution.

Compliance and Regulatory Risk

Compliance and regulatory risk include the risk of non-compliance with regulatory requirements. The University has complied with all externally imposed requirements throughout the year mainly from Commission for University Education (CUE) and Ministry of Education.

(t) Adoption of New and Revised Standards

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

IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none">• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
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<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p>

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	Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
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(u) Early Adoption of Standards

The university did not early - adopt any new or amended standards in year 2021/2022.

Note 2 - Exchequer Grants

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Exchequer Grants (Recurrent)	1,973,108,226	1,888,630,846
Totals	1,973,108,226	1,888,630,846

Exchequer Grants

Exchequer grants received from the government are recognized as Income in the period in which it relates, as approved in the Printed Estimates with an allocation of **Kshs.1.97 billion**. The increase of **Kshs.84,477,380** was the remaining balance on 2017-2021 National CBA.

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Note 3 : - Tuition Income

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Tuition Fees	321,420,457	274,279,805
Student Opening Balances	(2,602,325)	(2,960,175)
Collaborating fees	3,424,075	5,363,775
Totals	322,242,207	276,683,405

Note 4 : - Administrative and Related Fees

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Student ID Fees	1,341,050	1,268,550
Registration	1,330,500	1,165,600
Examinations Fees	16,257,800	16,383,000
Activity Fees	12,584,300	12,750,900
Student Medical Fees	21,011,900	21,232,000
Library Fees	21,036,480	21,266,509
Field Trips	5,473,052	6,295,475
Field Attachment	14,171,348	26,892,645
Teaching Practice Fees	12,729,500	21,594,600
Computer Fees	518,000	668,500
Thesis Fees	5,167,250	3,489,000
Supervision	7,837,550	4,965,300
Re-marking Charges	23,000	39,400
Amenity	10,511,700	10,622,400
Special Project	295,000	1,696,000
Field Course	195,000	105,000
ICT Fee	6,380,200	3,558,000
Workshop Practice	860,000	748,300
Other Student Related Income	1,120,000	660,000
Totals	138,843,630	155,401,179

Tuition fees increased to **KShs.322.24 million** while administrative and related fees to **KShs.138.84 million**.

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Note 5 : - Graduation Fees

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Graduation Fees	13,575,600	4,732,300
Totals	13,575,600	4,732,300

Note 6 : - Accommodation Income

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Accomodation Fees	10,062,619	8,584,700
Totals	10,062,619	8,584,700

Note 7(a) : - IGA Income

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Farm Income	18,578,015	11,866,276
Catering Income	6,220,565	4,593,767
SoEng Consultancy & Works Income	35,000	-
Hire of Motor Vehicles	1,523,930	38,460
Guest House	11,644,640	2,045,350
Bookshop Sales	1,010,437	2,599,850
Fisheries	1,223,690	554,850
Conference & Workshops	277,951	521,025
Bridging Fees	-	500
Library Income	66,632	37,750
Rent Income	2,102,550	457,460
Sale of seedlings	80,039	102,710
EIA	3,476,754	1,891,500
Other IGA Income	3,125,825	3,076,460
Totals	49,366,028	27,785,959

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Note 7(b) : - IGA Expenses

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Farm Expenses	16,097,088	14,546,500
Catering Expenses	7,210,422	4,520,362
Hire of Motor Vehicles Expenses	517,261	-
Guest House Expenses	6,582,479	1,932,945
Bookshop Expenses	663,172	838,147
Fisheries Expenses	444,200	-
Conference & Workshops Expenses	107,100	528,700
EIA Expenses	2,530,113	820,200
Other IGA Expenses	1,732,205	434,020
Totals	35,884,041	23,620,874

Note 7 : - Net IGA Income

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Farm Income	2,480,927	(2,680,224)
Catering Income	(989,857)	73,405
SoEng Consultancy & Works Income	35,000	-
Hire of Motor Vehicles	1,006,669	38,460
Guest House	5,062,161	112,405
Bookshop Sales	347,265	1,761,703
Fisheries	779,490	554,850
Conference & Workshops	170,851	(7,675)
Bridging Fees	-	500
Library Income	66,632	37,750
Rent Income	2,102,550	457,460
Sale of seedings	80,039	102,710
EIA	946,641	1,071,300
Other IGA Income	1,393,620	2,642,440
Net Total IGA Income	13,481,987	4,165,085

IGA income improved generally, although Catering recorded a loss.

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Note 8 : -Research Grants

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Research Administrative Fees	3,605,877	1,879,439
Totals	3,605,877	1,879,439

Note 9 : - Other Income

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Application Fees	981,427	910,696
Fines & Penalties	973,720	872,809
Miscelaneuos Income	8,874,748	4,216,580
Referral/Supplementary	1,638,100	1,941,000
Totals	12,467,995	7,941,085

The University received funds from various research activities during the period. However, not all funds received attract 10% administrative fee. Research administrative fee increased slightly owing to moderate inflow of research projects funds that attract the 10% administrative fees which is a source of income to the University. Miscellaneous income increased because of earned interest income from fee collection accounts during the period.

Application fees and Fines & penalties increased gradually as compared to the previous year, this was attributed to slight increase in enrolment.

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Note 10(a) : - Staff Remuneration Costs

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Personal Emoluments	1,086,682,735	923,825,740
House Allowances	400,118,580	403,299,090
Other Personal Allowances	70,351,738	68,154,222
Commuter Allowances	128,167,291	126,346,784
Passage & Leave Allowance	5,245,493	5,277,194
Contracted Employees	6,842,867	3,445,394
Part Time Claims	31,983,278	118,908,703
Totals	1,729,391,983	1,649,257,127

Note 10(b) : - Staff Gratuity & Pension Contributions

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Gratuity & Pension Contributions	155,956,325	170,766,639
Totals	155,956,325	170,766,639

Note 11: - Staff and Student Welfare

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Medical Expenses	68,223,504	66,016,961
Inter University Games & Sports Activities	10,373,890	1,312,090
Public Celebrations & Staff Welfare	3,345,956	1,545,065
Students Welfare & Other Activities	9,062,043	1,062,310
Staff Tuition Fee Waivers	2,552,800	-
Totals	93,558,192	69,936,426

Staff remuneration costs and Staff Gratuity & pension increased slightly compared to previous year due to Implementation of 2017-2021 National CBA. Part time claims decrease was due to the impact of harmonization of courses.

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Note 12(a) : - Chancellors Expenses

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Chancellors Expenses	630,795	257,540
Totals	630,795	257,540

Note 12(b) : - Council Expenses

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Sitting Allowance	4,586,000	5,600,557
Travelling and Accomodation	8,562,442	4,298,120
Meals & Refreshments	639,560	378,300
Other Council Expenses	554,100	1,883,917
Totals	14,342,102	12,160,894
Totals Chancellor & Council Expenses	14,972,897	12,418,434

Chancellors' major activities did not take place hence the reduction in this expense. Similarly, Council expenses declined following late appointment of the Council and implementation of Council Almanac. Their activities progressed well during the current year.

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Note 13 : - Administration and Central Services Expenses

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Transport Fuel Expenses	4,477,770	2,639,608
Travelling & Accomodation	7,794,487	4,409,055
External Travelling & Accomodation	1,006,648	-
Postal & Telegrams	307,020	314,337
Telephone Expenses	4,905,289	3,569,407
Purchase of Stationary	7,130,522	1,367,927
Audit Fees Expenses	950,000	950,000
Insurance Expenses	17,266,165	16,148,783
Legal Expenses	2,737,500	7,993,221
Security Services	1,743,300	1,496,800
ISO & Quality Assurance Expenses	2,297,980	1,637,955
ERP Sytem Manteinance Expenses	2,307,240	2,102,400
Official Running Expenses	3,376,574	2,203,795
Recruitment & Training Expenses	9,251,340	3,171,979
Public Health Expenses - COVID 19	284,890	2,629,414
Totals	65,836,724	50,634,682

Administrative expenses increased from previous year due to resumption of full University operations unlike previous year which was affected by COVID 19 restrictions.

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Note 14 : - Academic & Student Affairs Expenses

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Teaching Practice & Field Attachment	24,470,841	36,867,513
External Examiners	9,022,752	4,645,464
Internet Services	18,007,655	11,656,254
Deans, Senate Committees & Conference Expenses	11,442,805	6,068,597
Graduation Expenses	9,529,339	4,131,137
Library Expenses	358,932	720,385
Library Periodicals & Journals	1,318,675	905,060
Teaching material expenses	4,739,923	702,935
Academic Field Trips	4,687,950	11,140,100
Examination Expenses	13,060,762	1,199,145
Postgraduate Supervision	10,451,021	8,754,594
Printing & Publications	1,581,096	1,050,700
Advertising & Publicity	5,040,956	5,299,786
Admission & Registration Expenses	7,621,389	4,977,780
Totals	121,334,094	98,119,450

Teaching practice and field attachment as well as Academic Field Trips expenses reduced as compared from previous year because of changes in fee structure and reduction of activities.

Deans, Senate Committees & Conferences expenses increased due to postgraduate curriculum harmonization activities which were undertaken in the year by the University in line with recommendations from Commission of University Education (CUE).

Admission and registration expenses increased as a result of payment of major outstanding levies. Much of the expenditure related to current period charged by the Kenya Universities and Colleges Central Placement Services (KUCCPS) as well as accreditation of courses.

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Note 15 : - Planning, Research & Extension Expenses

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Performance Contracting	10,442,395	2,810,685
Strategic Plan & Master Plan Design	3,434,820	2,332,250
University Outreach Programme & Exhibition	1,528,760	335,079
University Funded Research Expenses	13,146,999	10,993,838
Innovation & Intellectual Property	1,058,520	-
Resource Mobilization	2,523,109	-
Linkages & Partnership	1,150,135	-
Projects Feasibility Study Expenses	965,804	-
Totals	34,250,542	16,471,852

Most research activities were previously curtailed by COVID-19 restrictions resumed hence improvement in uptake of research funds.

ISMS was also rolled out during the period under performance contacting.

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Note 16 : - Support Services

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Utilities (Electricity, Water & Conservancy)	32,907,441	28,177,211
Payment of Rent & Rates	17,057,298	13,914,029
Maintenance of Catering & Hostel Facilities	14,724,208	9,646,128
Cleaning Materials & Detergents	9,052,752	7,447,484
Maintainace of Plant, Furniture & Equipment	802,202	176,220
Maintenance of Computers	4,102,024	2,557,300
Maintenance of Buildings & Stations	30,080,255	28,599,768
Contract Services & Subscriptions	4,103,809	8,075,225
Maintenance of Water Suppliers & Sewerage	487,200	533,867
Maintenance of Playgrounds & Parks	14,672,519	1,036,035
Commercial Enterprises & IGU Working Capital	2,960,921	3,167,100
Newspapers	5,120	5,000
Maintenance of Motor Vehicles	7,663,796	3,431,635
Valuation & Tagging of Assets	789,000	-
Totals	139,408,544	106,767,002

Support services increased compared to previous year due to moderate maintenance of dilapidated catering & hostel facilities as well as buildings & stations after a long time of lack of maintenance leading to desertion of accommodation facilities by students.

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Note 17 : - Finance Expenses

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Bank Charges & Commissions	2,282,094	1,379,036
Totals	2,282,094	1,379,036

Note 18: - Armotization & Depreciation Expenses

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Armotization of Land	1,975,309	1,975,309
Depreciation Buildings	26,918,186	26,918,186
Depreciation Motor Vehicles	1,921,500	10,589,250
Depreciation Computers and Assesories	11,682,444	13,883,078
Depreciation Furniture and Fittings	8,892,604	9,754,793
Depreciation plant and Equipment	10,693,886	10,557,011
Depreciation Library Books	5,419,311	5,113,912
Totals	67,503,240	78,791,539

Note 19:- Other Gains/(Losses)

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Transfer of Capital Depreciation Adjustment to (11,811,738	11,811,738
Gain/(Loss) on Biological Assets	1,347,135	(3,103,882)
Increase/(Decrease) in Provision for Bad Debts	1,205,110	1,492,160
Gain/(Loss) on Foreign Exchange Transactions	(13,268)	-
Gain/(Loss) on Disposal of Assets	4,073,130	-
Totals	18,423,845	10,200,016

Depreciation was stable with minimal decrease following delay in acquisition of computers and accessories, plant and equipment and library books respectively, while some asset items are fully depreciated. All the vehicles are fully depreciated except one new vehicle.

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Note 22 (a) :- Bank Balances (University Operations)

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
NBK-Main Account-0102107332500	28,090,621	34,188,488
NBK-Capital Development Account-01021073325	1,279,466	20,024
Co-operative Bank (Fees Collection)-01129183170	150,193,497	230,654,927
Co-operative Bank (Farm Account)-01129183170	1,307,973	260,830
Equity Bank (Fees Collection)-0300297338822	137,729,556	98,116,577
Kenya Commercial Bank (Fees Collection)	88,052,512	61,827,581
Standard Chartered Bank Fee Collection Account	6,140,598	5,676,873
Equity-Capital Development	45,924,270	34,615,672
KCB University of Eldoret -Town Campus (1184	12,167,907	26,623,595
Undeposited Funds	-	10,000
PC-External Account	-	600,000
Totals	470,886,401	492,594,567

Note 22 (b) :- Bank Balances (Donor Funded Research & Agency Payables)

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Standard Chartered Bank (Kshs) Research Account	73,735,250	89,937,379
Standard Chartered Bank (Euro) Research Account	27,571,153	30,989,070
Standard Chartered Bank (Kshs-Edulink) Research	12,007	25,275
Co-operative Bank (UESO) Account 0113467438	788,163	973,937
Totals	102,106,574	121,925,661

There was a slight decrease in bank balances as a result of increased salaries as per National CBA, payments of services and other internal developments/maintenance.

The aggregate balance in university accounts amounted to **Kshs.470.88 million (Including Kshs.45.92 million held for payment of 10% retention monies to contractors)** and **Kshs.102.11 million** held in trust for research grants.

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Note 23(a) : - Receivables from Exchange Transaction

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Student Debtors	239,351,807	299,607,295
Provision for Bad Debts	(4,787,036)	(5,992,146)
	234,564,771	293,615,149
Staff Imprests	6,105,152	6,023,213
General Debtors	3,888,422	3,502,815
Deposit with Service Providers	5,524,567	7,192,797
Totals	250,082,912	310,333,973

Note 24 : - Inventories

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Lab Chemicals	4,353,052	4,905,691
Games Materials	2,678,948	3,581,673
Loose Tools and Spares	178,976	178,976
Bookshop Books	2,138,732	2,749,404
Dry Food	735,346	1,077,176
Clinical Drugs	2,736,568	2,569,573
Consumables	20,195,752	22,844,934
Building Materials	10,762,879	21,238,352
Totals	43,780,253	59,145,779

Student debtors reduced in the current financial year mainly due to correction of non-moving debtors during the financial year as well as efficient collection of debtors as a result of online receipting. Provision for bad debts has been retained at 2% of outstanding debt as in previous financial years.

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Note 25: Property, plant and equipment

Cost	Land		Buildings		Motor Vehicles		Computers/ Accessories		Furniture & Fittings		Plant & Equipment		Library		Totals	
	K.Shs		K.Shs		K.Shs		K.Shs		K.Shs		K.Shs		K.Shs		K.Shs	
At 1 July 2020	160,000,000		1,310,573,645		170,006,349		96,088,881		121,728,876		100,828,201		48,080,043		2,007,305,996	
Additions 20/21	-		-		-		19,817,365		3,390,695		8,843,400		3,059,078		35,110,538	
Transfers from W.I.P 20/21	-		35,335,644		-		-		-		-		-		35,335,644	
At 1 July 2021	160,000,000		1,345,909,289		170,006,349		115,906,246		125,119,571		109,671,601		51,139,121		2,077,752,178	
Additions 21/22	-		-		3,730,000		5,840,753		3,337,800		2,813,000		3,053,993		18,775,546	
Disposals 21/22	-		-		(14,161,142)		-		-		-		-		(14,161,142)	
Prior Year Error Adjustments	-		-		15,772,035		-		-		-		-		15,772,035	
At 30 June 2022	160,000,000		1,345,909,289		175,347,242		121,746,999		128,457,371		112,484,601		54,193,114		2,098,138,617	
Depreciation																
At 30 June 2020	18,137,008		489,372,554		158,428,097		85,681,853		87,128,090		57,138,266		16,360,158		912,246,025	
Amortization 20/21	1,975,309		-		-		-		-		-		-		1,975,309	
Depreciation 20/21	-		26,918,186		10,589,250		13,883,078		9,754,793		10,557,011		5,113,912		76,816,230	
Prior Year Error Adjustments	-		63,500		-		-		-		(3,074,123)		(28,222)		(3,038,845)	
At 30 June 2021	20,112,317		516,354,240		169,017,347		99,564,931		96,882,882		64,621,154		21,445,848		987,998,718	
Amortization 21/22	1,975,309		-		-		-		-		-		-		1,975,309	
Depreciation 21/22	-		26,918,186		1,921,500		11,682,444		8,892,604		10,693,886		5,419,311		65,527,931	
Disposals 21/22	-		-		(14,161,142)		-		-		-		-		(14,161,142)	
Prior Year Error Adjustments	-		-		15,772,035		-		-		-		-		15,772,035	
At 30 June 2022	22,087,625		543,272,426		172,549,740		111,247,375		105,775,486		75,315,040		26,865,159		1,057,112,851	
Net book values																
At 30 June 2022	137,912,375		802,636,864		2,797,502		10,499,624		22,681,885		37,169,561		27,327,955		1,041,025,765	
At 30 June 2021	139,887,683		829,555,049		989,002		16,341,315		28,236,689		45,050,447		29,693,273		1,089,753,459	

The University uses Cost Model approach as provided by IPSAS 17. However, assets were valued as a best practice. The revalued amount for land and other assets were not included as part of this financial statement but have been

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disclosed. Note that the leasehold land is partly used to generate income and including its market value would misrepresent the financial statements.

Assets worth Kshs.18.78 million were procured and Motor Vehicles costing Kshs.14.16 million were disposed during the year, shown as additions 2021/2022 and depreciation amounting to Kshs.67.50 million provided for the same period based on the rates in the notes, less assets depreciated to zero value.

Note 26: Work-In-Progress

Particulars	30-Jun-22		Transfers		Additions		30-Jun-21	
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
W.I.P Acquisition of Software	15,312,000		-		-		15,312,000	
W.I.P Economics & Bns Mgt Complex	241,640,240		-		30,003,379		211,636,861	
W.I.P Perimeter Wall	62,529,045		-		6,834,589		55,694,456	
W.I.P Ampy Theater Block	143,302,860		-		28,434,489		114,868,371	
Totals	462,784,145		-		65,272,457		397,511,688	

The University is committed to continue with the construction of Schools of Economics and Business & Management Sciences and Perimeter Wall Phase V were at 100% physical completion but awaiting final certificate for it to be transferred to Property, Plant and Equipment under buildings.

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Note 27:- Biological Assets

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Maize	3,036,737	4,217,270
Wheat	3,298,668	961,168
Dairy Livestock	14,796,150	12,695,000
Pigs	245,000	412,250
Trees	237,010	175,900
Fish	442,700	1,884,970
Kanola Seed Plants	0	362,572
Totals	22,056,265	20,709,130

Note 28 (a) :- Trade Payables

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Trade Creditors	48,851,311	38,071,325
With-Holding Tax	(16,205)	(16,205)
Capital Creditors	1,506,549	10,605,322
Commissioner of Domestic Taxes	4,015,629	4,015,629
Retention (Contractor)	42,595,232	41,257,280
VAT Taxes	3,680,968	1,082,181
Totals	100,633,483	95,015,532

There was a deliberate effort to pay off outstanding bills in order to comply with performance contracting requirements and the presidential directive. However, trade payables increased as a result of pending payment to contractors.

Retention (Contractor) increased due to increase in Work in Progress activities being carried out by the University.

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Note 28 (b) :- Other Payables - Students

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
Prepaid Fees (Students)	125,534,492	117,088,893
Caution Money	18,738,464	16,549,644
HELB-Loan Students	5,376,080	6,041,180
HELB-Bursaries Students	186,000	201,000
CDF- Constituency Development Fund	20,912,584	20,137,175
Sponsorships	22,292,977	22,161,928
Unallocated Fee	13,503,191	21,409,360
Totals	206,543,788	203,589,180

Note 28 (c) :- Other Payables - Payroll

Particulars	30-Jun-22 Ksh	30-Jun-21 Ksh
SACCOS	-	33,979
PENSION	2,996,088	22,404,994
Part Time Lecturers	56,812,900	149,712,556
Totals	59,808,988	172,151,528

There was a slight increase in students' payables as a result of invoice adjustment of students following cancellation of academic field trip activities causing prepayments.

Part Time Lecturers provision decreased as a result of non-payment of part time arising from delayed claims by part time lecturers.

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Note 29 :- Accruals and Provisions

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Provision for Audit Fees	2,413,000	3,130,000
Payroll Recoveries	4,366,466	4,214,041
Accrued Expenses	119,976,789	185,416,190
Refundable Deposits from Customers	369,169	575,514
Totals	127,125,425	193,335,745

Note 30 :Research Projects & UESO Agency Payable Account

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Research Projects Receipts	76,793,013	228,392,033
Research Projects Disbursements	-	(130,376,882)
Research Projects	76,793,013	98,015,150
UoESO Funds Receipts	6,939,854	6,939,854
UOESO	3,707,550	3,471,900
UoESO Funds Disbursements	(4,792,971)	(539,950)
Agency Payable (UESO)	5,854,433	9,871,804
Totals	82,647,445	107,886,954

Note 32 : Agent Liability Accounts

Particulars	30-Jun-22	30-Jun-21
	Ksh	Ksh
Endowment Fund Account	-	4,327,250
Totals	-	4,327,250

Research projects are fund received/disbursed for faculty members and post graduate students research activities funded by different bodies both local and internal for the research work. UOESO is account for student Organization activities managed by the students based on their Constitution.

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Other Disclosures

University's Compliance with Statutory Requirements

The University complied with all statutory deduction during the year. Thus, all outstanding statutory deduction such as PAYE, Pension and Provident funds were paid by the close of the year.

In the ordinary course of business, the University is a defendant in various litigations and claims. The cases are employment and Constitutional related and are pending determination by the Courts. Although there are no assurances, the University believes, based on information currently available that the ultimate resolution of these proceedings and claims as at the close of the year may result potential liability of **Kshs.22.8 million**. Detailed disclosure for each case has been provided in Table 15 below:

Table 15: Status of legal Matters

Item No.	Case No.	Parties	Potential Liability
1.	Nakuru Civil Appeal No.109 of 2020	Nathan Kemboi Vs UoE	2,000,000
2.	Nairobi CMCC 60 of 2018:	The Print Experts vs. University of Eldoret	800,000
3.	Kisumu ELRC No. 250 of 2015	James Kiprono Lelei Vs UoE	1,250,000
4.	Eldoret Civil Suit No.128 of 2020	Benjamin K. Talam Versus University of Eldoret	1,000,000
5.	Civil Suit No.129 Of 2020	Cosmas Seronei Versus University of Eldoret	1,000,000
6.	Eldoret Civil Suit No. E15 of 2020	Reuben Kimurgor Versus University of Eldoret	1,000,000
7.	Eldoret Civil Suit No.e.16 of 2020	Paul Kosgei Versus University of Eldoret	700,000

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Item No.	Case No.	Parties	Potential Liability
8.	Eldoret Constitutional Petition No.13 of 2020	Gabriel; Turic Dak Versus University of Eldoret	1,200,000
9.	Eldoret High Court Petition No. 74 of 2018;	Sacred Training Institute vs. The University of Eldoret	1,500,000
10.	Eldoret Civil Suit No. E.29 OF 2020	Daniel Simatwa Versus University of Eldoret	1,000,000
11.	Eldoret Civil Suit No.E22 OF 2021	Issac Barmasai vs University of Eldoret	1,200,000
12.	Eldoret Civil Suit No.E 646 of 2021	Brian Mokaya Bundi vs VC University of Eldoret	600,000
13.	Eldoret High Court No.10	Caroline Chepkosgei Birgen vs University of Eldoret	1,250,000
14.	Eldoret Civil Suit No.83 of 2002	Agnes Ngatia & 61 Others Vs Moi University & University of Eldoret.	4,000,000
15.	Eldoret High Court Suit No. 83 of 2012	Clive Mairura Versus Moi Teaching and Referral Hospital and Two Others.	4,324,000
	CASES	Sub-Total	22,824,000

On the 18th of May 2022 the Court in Eldoret ELRC Cause No. 154 of 2017 Elizabeth M. Kanja Vs. The University of Eldoret dismissed the claim against the University. We are monitoring the matter in the event of an appeal. Two critical matters are scheduled for ruling in the first quarter of 2022/2023 Financial year i.e. Eldoret HCC No.83 of 2012.Clive Mairura vs MTRH & 2 Others and Eldoret Civil Suit No.83 of 2002.Agnes Ngatia & 61 Others Vs Moi University & University of

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Eldoret where the issue of liability for legal issues arising prior to the award of University Charter to the University of Eldoret are under consideration.

The University continues to explore the possibility of settlement of Dispute through alternative dispute resolution, however the bulk of matters are in various stages of hearing. For the financial year 2021/2022 the legal office has robustly made the move towards Alternative Dispute Resolution as a way of minimizing legal costs associated with Court process, it is anticipated that in subsequent years' litigation will be largely be minimized if not avoided.

Compliance with Laws, Regulations and Standards

Higher education is highly regulated, and the Legal Office is charged with the responsibility of ensuring compliance with applicable laws, regulations, standards and protocols. The office thus seeks to ensure compliance with applicable laws and regulations and avails regular reports on legal matters to the University Management. For the 2021/2022 FY the office did not record any material departures from required compliance.

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19. APPENDIX

APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

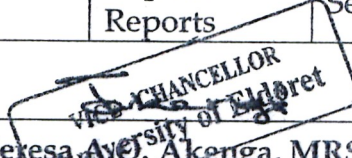
The following is the summary of issues raised by the External Auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown in Table 14 below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Inaccuracies in Cash and Cash Equivalents	Reconciled in the subsequent reports.	Prof. Teresa A.O. Akenga, V. Chancellor	Partially resolved	2020/2021 FY
2.0	Unreconciled Transfers from Work-In-Progress	Refurbishment of old library which was transferred to Maintenance of Building	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2020/2021 FY
3.0	Retention (Contractor)	Retained at Capital Projects Bank Account at Equity Bank	Prof. Teresa A.O. Akenga, V. Chancellor	Partially resolved	2020/2021 FY
4.0	Research Fund Account	Reports sent to donors as per the agreements btw P.I and the donor	Prof. Teresa A. O. Akenga, V. Chancellor	Partially resolved	2020/2021 FY
5.0	Inaccuracies in the Statement of Changes in Net Assets	This are credits notes/reduction in expected fees for previous periods invoices	Prof. Teresa A. O. Akenga, V. Chancellor	Partially resolved	2020/2021 FY
6.0	Outstanding Imprest and General Debtors	These are unconditional funds from NRF given to postgraduate students	Prof. Teresa A.O. Akenga, Vice Chancellor	Partially resolved	2020/2021 FY

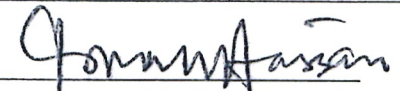
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
7.0	Loss from Income Generating Units (IGU)	Report of taskforce formed by management was implemented during the year and this reduced the loss by 50%.	Prof. Teresa A.O. Akenga, Vice Chancellor	Partially resolved	2019/2020 FY
8.0	Disproportionate Increase in Accrued Expenses	Staff salary arrears which the Ministry gave a directive that we accrue	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2020/2021 FY
9.0	Council Expenses	Payments now done individual council members accounts	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2020/2021 FY
10.0	Construction of School of Business Studies and Economics.	Project is now fully completed and handed over	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2020/2021 FY
11.0	ERP System Imprest Reports	Corrected by ERP Service provider	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2020/2021 FY


 Prof. Teresa A.O. Akenga, MRSC, MBS, MBA
 Vice Chancellor

Date..... 27/03/2023


 Dr. Ismail Buro Hassan
 Chairman of Council

Date..... 03/4/2023

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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY AND THEIR STATUS OF COMPLETION

Note 33 (a) : Projects Details

Project title	Number	Donor	Period/ duration	Donor commitment	Separate donor reporting	Comments
1. School of Economics and Business Manager	GOK	2017 - 2021	241,236,042	no		
2. School of Education Amphitheater Complex	GOK	2017 - 2021	373,000,000	no		
3. Perimeter Wall Phase IV	GOK	2017 - 2020	28,962,000	no		
4. Perimeter Wall Phase V	GOK	2020 - 2021	32,708,271	no		
5. Acquisition of Software	Internal	2017 - 2020	19,500,000	no		

Note 33 (b): Status of Projects Completion

Project	Total Project		Completion % to date	Budget	Actual	Sources
	Cost	Total expenditure to date				
1. School of Economics and Business Manager	241,236,042	241,640,240	100%	29,599,000	30,003,379	GOK
2. School of Education Amphitheater Complex	373,000,000	143,302,860	38%	40,000,000	28,434,489	GOK
3. Perimeter Wall Phase IV	28,962,000	28,962,000	100%	-	-	GOK
4. Perimeter Wall Phase V	32,708,271	33,567,045	103%	35,000,000	6,834,589	Internal
5. Acquisition of Software	19,500,000	15,312,000	79%	-	-	Internal
Totals	695,406,313	462,784,145	-	104,599,000	65,272,457	

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APPENDIX III: INTER-ENTITY TRANSFERS

I. APPENDIX 2: INTER-ENTITY TRANSFERS

ENTITY NAME: UNIVERSITY OF ELDORET			
Break down of Transfers from the State Department of Education			
FY 21/22			
a. Recurrent Grants			
	Bank Stateme	Amount (KShs)	FY to which the amounts relate
State Department University Education	03.08.2021	163,785,705	2021/22
State Department University Education	01.09.2021	163,785,705	2021/22
State Department University Education	29.09.2021	163,785,705	2021/22
State Department University Education	02.11.2021	163,785,705	2021/22
State Department University Education	26.11.2021	163,785,705	2021/22
State Department University Education	28.12.2021	163,785,705	2021/22
State Department University Education	01.01.2022	163,785,705	2021/22
State Department University Education	01.02.2022	163,785,705	2021/22
State Department University Education	01.04.2022	163,785,705	2021/22
State Department University Education	28.04.2022	163,785,705	2021/22
State Department University Education	06.06.2022	167,625,586	2021/22
State Department University Education	28.06.2022	167,625,590	2021/22
	Total	1,973,108,226	
b. Development Grants			
	Bank Stateme	Amount (KShs)	FY to which the amounts relate
State Department University Education	12.08.2021	20,000,000	2021/22
State Department University Education	16.03.2022	20,000,000	2021/22
	Total	40,000,000	
c. Direct Payments			
	Bank Stateme	Amount (KShs)	FY to which the amounts relate
	Total		
d. Donor Receipts			
	Bank Stateme	Amount (KShs)	FY to which the amounts relate
	Total		

The above amounts have been communicated to and reconciled with the parent Ministry
Finance Officer

University of Eldoret

Sign:  **FINANCE OFFICER**
University of Eldoret

Head of Accounting Unit
MOEST

Sign: 

PRINCIPAL SECRETARY
STATE DEPARTMENT FOR
UNIVERSITY EDUCATION AND RESEARCH
MINISTRY OF EDUCATION
P. O. Box 9588 - 00200, NAIROBI

University of Eldoret

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APPENDIX IV: STATEMENT OF CASH FLOWS NOTES

	Statement of Financial Performance	Changes in Statement of Financial Position	Statement of Cash Flow
Note	30-Jun-22	Position	30-Jun-22
	Kshs.	Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Exchequer Grants (Recurrent)	1,973,108,226	-	1,973,108,226
Research Administrative Fees	3,605,877	-	3,605,877
Tuition Income	A 322,242,207	59,816,166	382,058,373
Administrative and Related Fees	B 138,843,630	2,188,820	141,032,450
Graduation Fees	13,575,600	-	13,575,600
Accommodation Fees	10,062,619	-	10,062,619
Income Generating Activities Income	C 13,481,987	255	13,482,242
Other Income	12,467,995	-	12,467,995
	2,487,388,141	62,005,241	2,549,393,381
Payments			
Staff Remuneration Costs	D 1,729,391,983	92,781,209	1,822,173,192
Staff Gratuity and Pension Contributions	E 178,361,319	(2,996,088)	175,365,231
Staff and Student Welfare	F 93,558,192	(2,075,212)	91,482,981
Chancellors Expenses	630,795	-	630,795
Council Expenses	G 14,342,102	(193,420)	14,148,682
Administration and Central Services Expenses	H 65,836,724	(8,961,579)	56,875,145
Academic, Research & Student Affairs Expenses	I 121,334,094	74,225,362	195,559,456
Planning, Research & Extension Expenses	J 34,250,542	2,700,106	36,950,648
Support Services Expenses	K 139,408,544	(6,357,236)	133,051,308
Finance Expenses	2,282,094	-	2,282,094
Depreciation	67,503,240	(67,503,240)	-
	2,446,899,630	81,619,902	2,528,519,532
Net cash flows from operating activities			20,873,850
Changes in Payables			
Refundable Deposits from Customers	-	-	(206,345)
Research Projects	-	-	(21,222,138)
UoESO Fund Accounts	-	-	(4,017,371)
Net cash flows from operating activities			(4,572,004)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible asset	-	-	(18,775,546)
Proceeds from sale of property, plant and equipment	-	-	4,073,130
Decrease/(Increase) in non-current receivables	-	-	3,019,625
Increase in work in progress (WIP)	-	-	(65,272,457)
Net cash flows used in investing activities	-	-	(76,955,249)
Cash flows from financing activities			
Government Capital grants	-	-	40,000,000
Net cash flows used in financing activities	-	-	40,000,000
Net increase/(decrease) in cash and cash equivalents			(41,527,253)
Cash and cash equivalents at 1 July			614,520,227
Cash and cash equivalents at 30 June			572,992,974

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Note B :- Administrative and Related Fees			
Caution Money	18,738,464	16,549,644	2,188,820
Totals	18,738,464	16,549,644	2,188,820
Note C :- Income Generating Activities			
General Debtors	3,888,422	3,502,815	385,607
Accrued Expenses	-	385,862	(385,862)
Totals	3,888,422	3,888,677	(255)
Note D :- Staff Remuneration			
Payroll Recoveries	4,366,466	4,214,041	152,425
SACCOS	-	33,979	(33,979)
Part Time Lecturers	56,812,900	149,712,556	(92,899,656)
Totals	61,179,366	153,960,576	(92,781,209)
Note E :- Staff Gratuity and Pension Contributions			
PENSION	25,401,082	22,404,994	2,996,088
Totals	25,401,082	22,404,994	2,996,088
Note F :- Staff and Student Welfare			
Accrued Expenses	24,385,412	22,310,200	2,075,212
Totals	24,385,412	22,310,200	2,075,212
Note G :- Council Expenses			
Accrued Expenses	193,420	-	193,420
Totals	193,420	-	193,420
Note H :- Administrative and Central Services			
Deposit with Service Providers	5,524,567	7,192,797	(1,668,230)
Totals	5,524,567	7,192,797	(1,668,230)
Trade Creditors	48,851,311	38,071,325	10,779,986
With-Holding Tax	(16,205)	(16,205)	-
Capital Creditors	1,506,549	10,605,322	(9,098,773)
Commissioner of Domestic Taxes	4,015,629	4,015,629	-
Retention (Contractor)	42,595,232	41,257,280	1,337,952
VAT Taxes	3,680,968	1,082,181	2,598,787
Totals	100,633,483	95,015,532	5,617,951
Provision for Audit Fees	2,413,000	3,130,000	(717,000)
Accrued Expenses	18,173,804	15,781,406	2,392,398
Totals	20,586,804	18,911,406	1,675,397
Note I :- Academic and Students Affiars			
Staff Imprests	6,105,152	6,023,213	81,940
Accrued Expenses	61,232,851	135,376,273	(74,143,422)
Totals	(55,127,699)	(129,353,060)	74,225,362
Note J :- Planning, Research & Extension Expenses			
Accrued Expenses	2,129,894	4,830,000	(2,700,106)
Totals	2,129,894	4,830,000	(2,700,106)
Note K :- Support Services Expenses			
Accrued Expenses	8,224,866	1,867,630	6,357,236
Totals	8,224,866	1,867,630	6,357,236