


REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 APR 2025	DAY: 30.4.25
TABLED BY:	Leader of Majority Party
CLERK-AT THE-TABLE:	m. modo

OF

THE AUDITOR-GENERAL

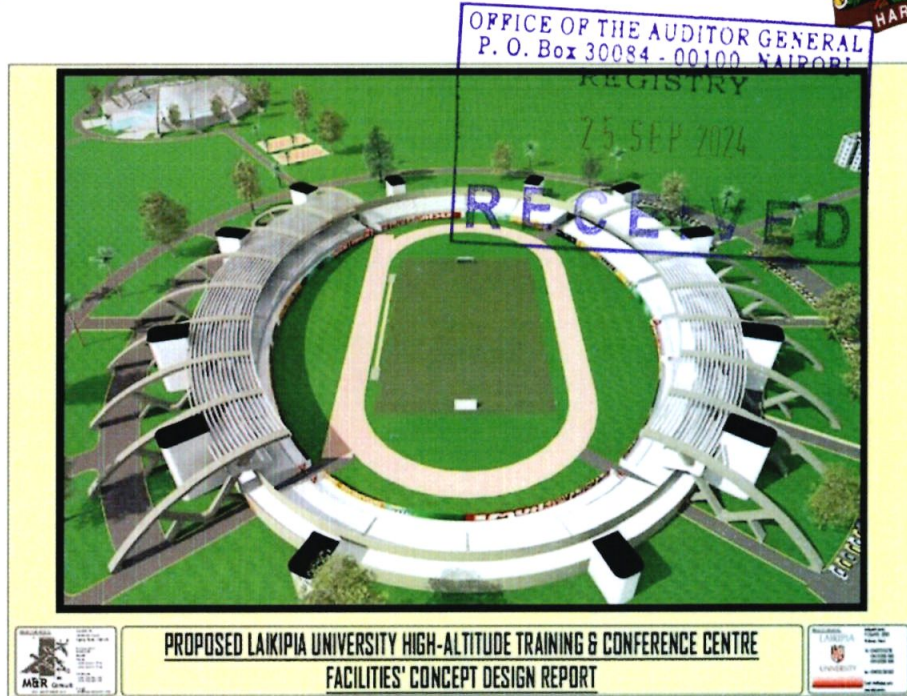
ON

LAIKIPIA UNIVERSITY

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



LAIKIPIA UNIVERSITY



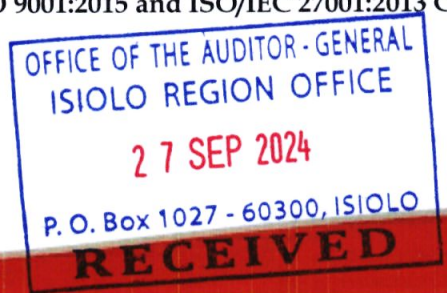
Annual Report & Financial Statements for the Year Ended 30th June 2024

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

(SEPTEMBER, 2024)



Laikipia University is ISO 9001:2015 and ISO/IEC 27001:2013 Certified

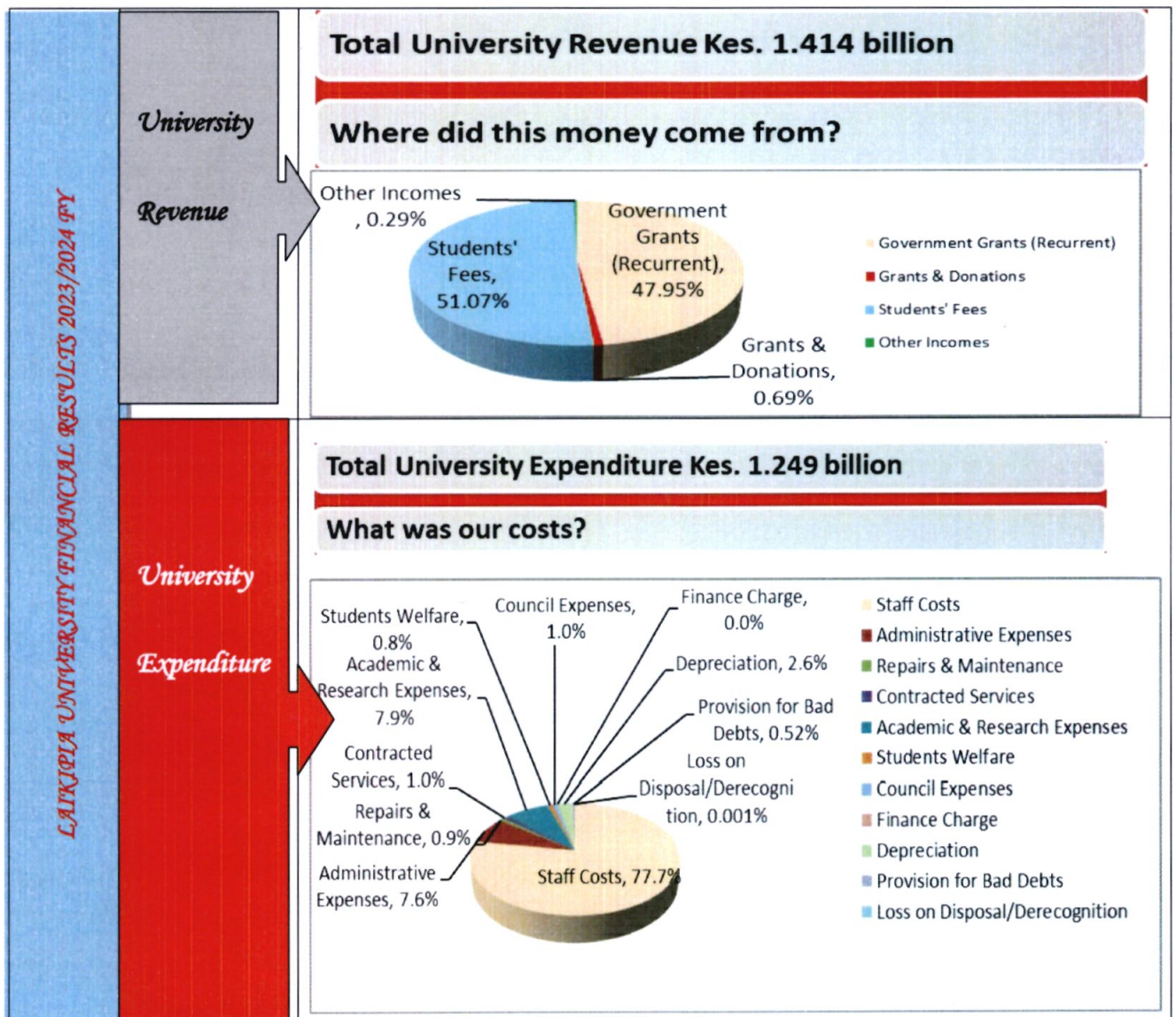




FOREWORD

Laikipia University (LU) is a body corporate established through the Laikipia University Charter of 19th February 2013. As the University continues to grow in leaps and bounds, there is need to give full disclosures to the Government, staff and other stakeholders in line with principles of good governance and statutory mandate.

This Annual Report highlights major achievements in the programmes and activities in line with the core mandate of education, research, training, consultancy, innovation, outreach and collaboration. The Report provides a factual presentation of the University’s activities for the year ended 30th June, 2024. The Report also contains financial statements of the University and discloses the most important items within Income, Expenses, Assets, Liabilities and Reserves.



ABOUT US

Laikipia University was founded in 1929 as a primary school by William Thomas Alfred Levet. Between 1965 and 1970, the Institution served as a Large-Scale Farmers Training College (LSFTC). The LSFTC was administered by the defunct Ministry of Agriculture and Animal Husbandry. In October 1979, it was converted into an Animal Husbandry and Industry Training Institute (AHITI) offering a two-year course leading to a Certificate in Animal Health. In 1990, Laikipia University was established as a Campus of Egerton University. It remained a campus of Egerton University between 1990 till 2010 offering BEd. Arts courses. In 2011 it became a Constituent University College of Egerton University until 19th February, 2013.

Laikipia University was awarded Charter on 19th February, 2013 by the then President of the Republic of Kenya; his Excellency Hon. Mwai Kibaki. This made the institution be a fully-fledged University.

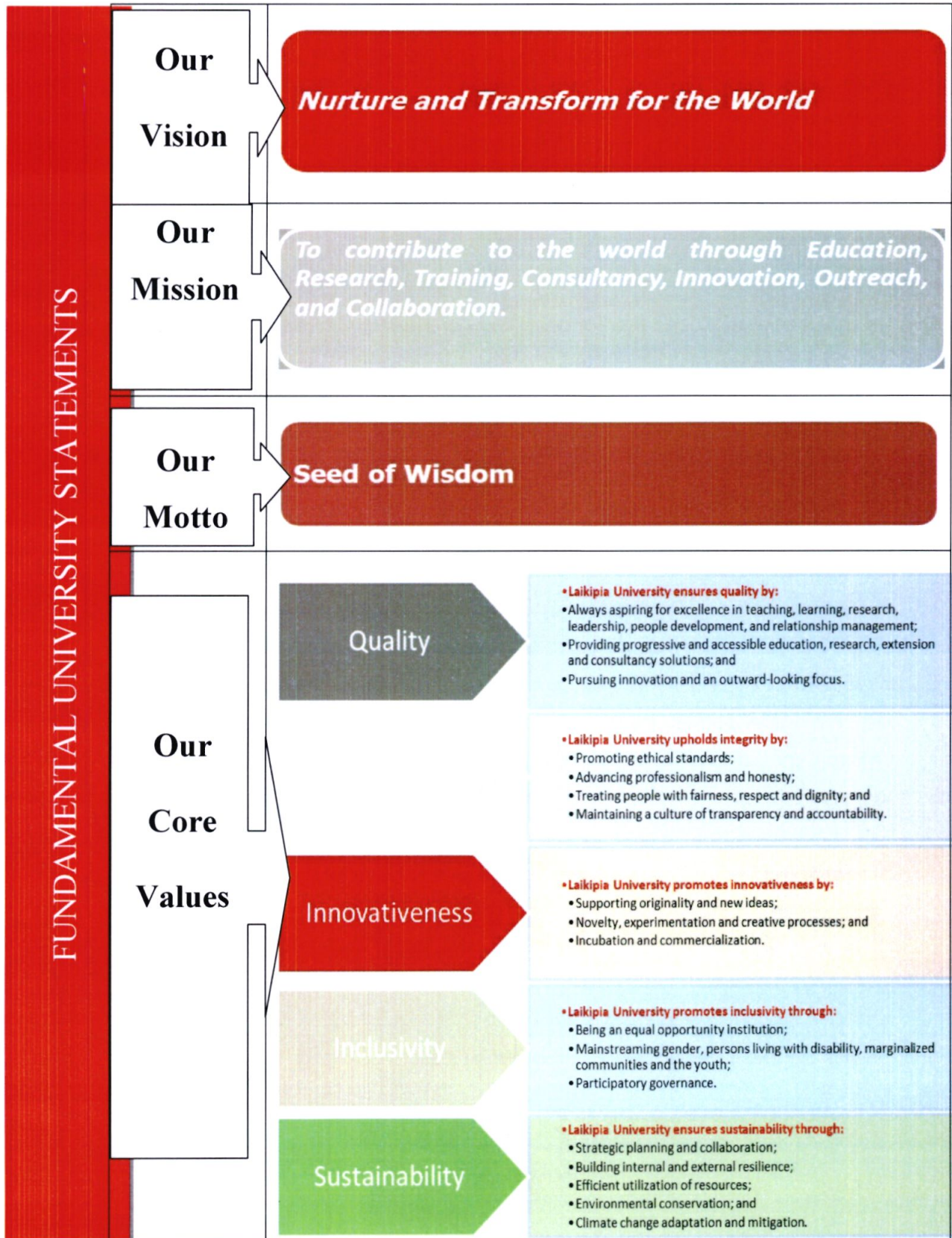


Award of Charter (19th February, 2013)

Currently, the University has four (4) schools offering various programmes. The schools are;

- ❖ School of Education (SoE),
- ❖ School of Science and Applied Technology (SSAT),
- ❖ School of Business and Economics (SoBE) and
- ❖ School of Humanities and Development Studies (SHDS)

FUNDAMENTAL UNIVERSITY STATEMENTS



Vision : Nurture and transform for the World

Mission: To contribute to the World through education, research, training, consultancy, innovation, outreach and collaboration



Laikipia University is ISO 9001:2015 and ISO/IEC 27001:2013 Certified



TABLE OF CONTENTS

FUNDAMENTAL UNIVERSITY STATEMENTS	iv
ACRONYMS, ABBREVIATIONS AND GLOSARY OF TERMS.....	vi
LIST OF FIGURES	ix
KEY ENTITY INFORMATION.....	x
LAIKIPIA UNIVERSITY COUNCIL	xii
UNIVERSITY MANAGEMENT BOARD.....	xvi
CORE BUSINESS OF LAIKIPIA UNIVERSITY.....	xx
STATEMENT FROM THE CHAIRMAN OF COUNCIL	xxi
STATEMENT FROM THE VICE CHANCELLOR	xxiii
STATEMENT OF UNIVERSITY PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024.....	xxvi
CORPORATE GOVERNANCE STATEMENT	xxviii
ENVIRONMENTAL AND SUSTAINABILITY REPORTING.....	xxxv
REPORT OF THE COUNCIL.....	xxxix
STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES ON THE FINANCIAL STATEMENTS.....	xl
MANAGEMENT DISCUSSION AND ANALYSIS.....	xli
REPORT OF THE AUDITOR GENERAL.....	lxiv
STATEMENT OF FINANCIAL PERFORMANCE	1
STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE, 2024	2
STATEMENT OF CHANGES IN RESERVES.....	3
STATEMENT OF CASH FLOWS	4
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS	6
EXPLANATORY NOTES TO STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.....	7
NOTES TO THE FINANCIAL STATEMENTS	8
APPENDICES	49



ACRONYMS, ABBREVIATIONS AND GLOSARY OF TERMS

a. Acronyms and abbreviations

ADA	Alcohol & Drug Abuse
AHC	Administration & Human Capital
AHITI	Animal Husbandry and Industry Training Institute
AIA	Appropriation-In-Aid
AMPATH	Academic Model Providing Access to Healthcare
BETA	Bottom-Up Economic Transformation Agenda
BMI	Body Mass Index
CA	Current Assets
CAJ	Commission on Administrative Justice
CBA s	Collective Bargaining Agreements
CBC	Competency-Based Curriculum
CBE	Competency Based Education
CBET	Competency Based Education and Training
CBO	Community Based Organizations
CEO	Chief Executive Officer
CIAT	Alliance for Biodiversity and International Centre for Tropical Agriculture
CIFA	Certified Investment and Financial Analysts
CL	Current Liabilities
CoD	Chairpersons of Department
CoPAD	Co-operation for Peace and Development
CPA	Certified Public Accountant
CSR	Corporate Social Responsibility
CUE	Commission for University Education
DoB	Date of Birth
DVC (AFP)	Deputy Vice Chancellor, Administration, Finance & Planning
DVC (ARSA)	Deputy Vice Chancellor, Academic Research and Students Affairs
FIFO	First in First out
FOSA	Front Office Service Activity
FY	Financial Year
GSSP	Government Sponsored Students Programme



HELB	Higher Education Loans Board
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information & Communications Technology
IMS	Integrated Management Systems
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
IPUCCF	Inter-Public Universities Council Consultative Forum
ISMS	Information Security Management System
ISO	International Organization for Standardization
IT	Information Technology
IUPS	International University of Professional Studies
JKUAT	Jomo Kenyatta University of Agriculture & Technology
KBC	Knowledge Based Curriculum
KCB	Kenya Commercial Bank of Kenya
KEBS	Kenya Bureau of Standards
KEFRI	Kenya Forest Research Institute
KFS	Kenya Forest Service
KICC	Kenyatta International Convention Centre
KIPPRA	Kenya Institute for Public Policy Research and Analysis
KRA	Kenya Revenue Authority
KUCCPS	Kenya Universities and Colleges Central Placement Services
LAN	Local Area Network
LSFTC	Large-Scale Farmers Training College
LU	Laikipia University
LUSA	Laikipia University Students Association
MBA	Master in Business Administration
MoE	Ministry of Education
MPIDO	Mainyoito Pastoralists Integrated Development Organization
NCDs	Non-Communicable Diseases
NG-CDFs	National Government-Constituency Development Funds
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
NWC	net working capital



OAG	Office of the Auditor General
OP	Office of President
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PhD	Doctor of Philosophy
PIC	Public Investment Committee
PPE	Property Plant & Equipment
PSSP	Privately-Sponsored Students Programme
SCAC	State Corporation Advisory Committee
SHDS	School of Humanities and Development Studies
SMEs	Small Medium Enterprises
SoBE	School of Business and Economics
SoE	School of Education
SOPs	Standard Operating Procedures
SSAT	School of Science and Applied Technology
T3	Teaching Through Technology
TVET	Technical Education Vocational Training
UK	United Kingdom
UMB	University Management Board
UoN	University of Nairobi
USA	United States of America
VC	Vice Chancellor

b. Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the University

Comparative Year- Means the prior period.

The University - Refers to Laikipia University



LIST OF FIGURES

Figure 1: Revenue Trend Analysis	lii
Figure 2: Expenditure Trend Analysis.....	lii
Figure 3: University Recurrent Revenue	lv
Figure 4: University Recurrent Expenditure.....	lvi
Figure 5: Total Surplus/(Deficits).....	lviii
Figure 6: University Assets.....	lviii
Figure 7: University Liabilities.....	lix
Figure 8: University Cash Flows	lxii
Figure 9: University Reserves.....	lxii



KEY ENTITY INFORMATION

a) Background Information

Laikipia University is a body corporate established through the Laikipia University Charter of 19th February 2013. The University is located in Laikipia County, along the Nyahururu-Nakuru Highway. It is situated approximately 11KM from Nyahururu town and 50KM from Nakuru town. Laikipia University has one Campus, with a total enrolment of approximately 8,000 students

b) Principal Activities

The principal activity of the University is as stipulated in the Laikipia University Charter of 19th February 2013 Part II Sec 7(1) which is to provide directly, or in collaboration with other institutions, integration of teaching, research and effective application of knowledge and skills.

c) Key Management

Laikipia University organs and their functions are anchored in the University Charter of 2013. The main management organs of the University are;

1. University Council
2. Vice Chancellor
3. University Management Board
4. University Senate

d) Fiduciary Management

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

S/No.	Designation	Name
1	Vice Chancellor	Prof. Kibett Rotich, PhD
2	Ag. Deputy Vice Chancellor (ARSA)	Prof. Charles Nguta, PhD
3	Ag. Deputy Vice Chancellor (AF&P)	Prof. James Ogola, PhD
4	Registrar, Academics Affairs	Prof. Robert Mwebi, PhD
5	Registrar (A&HC)	Dr. Hezron N. Nyamwega, PhD
6	Finance Officer	CPA. Geoffrey K. Langat
7	Ag. Senior Procurement Officer	Ms. Violet Mideva

e) Fiduciary Oversight Arrangements

Laikipia University has the following fiduciary oversight arrangements;

(i) Internal Audit Function

Functions of Internal Audit include and not limited to verification and review of periodic financial statements and expressing an opinion on whether they represent the true financial position of the University before the accounts are submitted to other users.

(ii) Audit, Governance, Compliance & Risk Management Committee of Council



The Committee reviews financial statements before submission to the University Council focusing on changes of accounting policies, compliance with legal requirements and strengthening the effectiveness of the internal audit function.

(iii) Office of the Auditor General

The Office of the Auditor General is charged with the primary oversight role of ensuring accountability within public institutions. It is mandated to audit and report on the use and management of public resources by public entities. In addition, Article 229(6) of the Constitution requires the Auditor-General to confirm whether public money has been applied lawfully and in an effective way.

The financial statements of Laikipia University are subject to audit by the Auditor-General in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

(iv) Public Investment Committee (PIC) of National Assembly

The University submits annual audited financial statements to the Public Investment Committee of National Assembly for deliberation and oversight on whether the funds were applied to the intended purpose.

f) Entity Headquarters

Laikipia University
P. O. Box 1100-20300
Nyahururu
Along Nyahururu -Nakuru Road

g) Entity Contacts

TEL: +254-(0) 20 2696596;
Cell: +254 713-552761/ (0)736-299961
www.laikipia.ac.ke

h) Laikipia University Bankers

i) KCB Bank Kenya Limited
Nyahururu Branch
P.O.Box 64-20300
NYAHURURU

iii) Equity Bank
Nyahururu Branch
P.O. Box 1048-20300
NYAHURURU

ii) KCB Bank Kenya Limited
Nakuru Branch
P.O. Box 18-20100
NAKURU

iv) Co-operative Bank of Kenya
Nyahururu Branch
P.O.Box 307-20300
NYAHURURU

i) Independent Auditors

Office of the Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084-00100
NAIROBI

j) Principal Legal Adviser

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



LAIKIPIA UNIVERSITY COUNCIL



Name: Dr. Lemein Korei, PhD
Position: Chairman of Council
DoB: 27/12/1971
Date of Appointment: 15/12/2023

Key Responsibilities

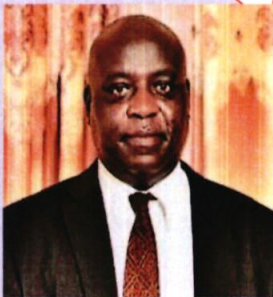
Serving as Chairman of the Council.

Qualification

Dr. Lemein Korei holds a PhD in Business (Entrepreneurship Development) from Kenyatta University, a Master of Science in Entrepreneurship and Innovations Management from the University of Nairobi, Master of Business Administration with a Finance option from the Canadian School of Management, South Asia, Master of Commerce in Business Studies from Shivaji University, and Bachelor of Commerce from Karnatak University.

Work Experience

Dr. Lemein Korei has served as a Member of Parliament for Narok South Constituency in the Kenya National Assembly and has been a member of various Parliamentary Committees. He has also worked as Lecturer at Moi University, Financial Controller at Moi Teaching and Referral Hospital, and FOSA Manager at the Narok Teachers Savings and Credit Cooperative



Name: Dr. CPA. Charles Anyanga Malalah
Position: Independent Member
DoB: 28/01/1966
Date of Appointment: 23/05/2023

Key Responsibilities

Serving as Chairman of the Finance, Investment and General Purposes and a member of Human Resource Management Committees of Council.

Qualification

Dr. CPA Charles Anyanga Malalah holds a Doctorate of Jurisprudence (Law) from North Carolina Central University, USA; an MBA from North Carolina Central University, USA; Bachelor of Science in Accounting from William Paterson University, USA; Diploma in Law from the Kenya School of Law; and is Certified Public Accountant (CPA), licensed in the Commonwealth of Virginia.

Work Experience

Dr. CPA Malalah is a Professional Law Practitioner at Malalah and Company Advocates. He has held several positions, including Director of Corporate Communication and Legal Affairs at Mt. Kenya University; Director at Mt. Kenya University; Academic Registrar at Mt. Kenya University Parklands School of Law Campus; and Acting Vice Chancellor at the International University of Professional Studies (IUPS). He has also served as Deputy Vice-Chancellor (Finance and Administration) at IUPS and as a Senior Lecturer at Mt. Kenya University. His experience extends internationally, having been the General Manager/CEO at the Suburban Maryland Water and Sanitation Commission, where he also served as Director of Finance, Administration, and Legal Affairs. In the United States, he held roles as Finance Controller (Accounting and Revenue/Chief Internal Auditor) at GTSI, Inc., Chantilly, VA; Director of Accounting, Revenue, and Reporting at XM Satellite Radio, Inc., Washington, DC; Senior Accountant (International GL Accountant) at WorldSpace Management Corporation, Washington, DC; and Revenue Accountant at The Nasdaq Stock Market, Inc., Princeton.





Name: Mr. Paul Kiplagat Bore
Position: Independent Member
DoB: 01/01/1965
Date of Appointment: 23/05/2023

Key Responsibilities

Serving as Chairman of the Audit, Governance, Compliance and Risk Management and a member of the Academic and Research Committees of the Council.

Qualification

Mr. Paul Kiplagat Bore holds a Master of Business Administration from Cavendish University, Zambia; a Master of Science in Appropriate Technology from Kenyatta University; and Bachelor of Science in Technology from the University of Eastern Africa, Baraton.

Work Experience

Mr. Bore served as Transport Supervisor/Manager – Kenutco Llc, Fort Worth, Texas; General Manager, Family Distributors Limited, Lusaka Zambia; Sales and Marketing Director, Natural Valley Limited, Lusaka Zambia; Director (Marketing and Operations), Kobil Zambia Limited; Business Development Manager, Kobil Petroleum Limited; Operations Manager, Mid-Oil Africa Limited; Retail Sales Supervisor, Kobil Petroleum Limited; Sales Representative, Kobil Petroleum Limited and Lecturer at Rift Valley Technical Training Institute, Eldoret.



Name: Ms. Sereya Beatrice Maitoyo
Position: Independent Member
DoB: 07/06/1977
Date of Appointment: 23/05/2023

Key Responsibilities

Serving as Chairperson of the Human Resource Management and a member of Finance, Investment and General Purposes Committees of the Council.

Qualification

Ms. Sereya Beatrice Maitoyo holds a Master of Arts in Intercultural Studies (MAICS) from Fuller Theological Seminary, Pasadena, California, USA, and Bachelor of Arts in Community Development and Business Administration from Daystar University.

Work Experience

Ms. Maitoyo has held various positions, including Gender Specialist Consultant for Mainyoito Pastoralist Integrated Development Organisation (MPIDO) and Vice Chairperson of the Plan Implementation Committee for Maasai Mara National Reserve. She has served as an Independent Trustee on the Kenya Wildlife Services (KWS) Board of Trustees and as an Independent Consultant in Kenya. Additionally, she worked as Consultant for Advocacy and Child Protection at World Vision in South Africa, Life Skills Trainer at Oasis South Africa (Green Light Project), and a Research Assistant in the Children at Risk Department at Fuller Theological Seminary in Los Angeles, California. Her experience also includes part-time consulting in the Policy and Advocacy Department at World Vision International in Los Angeles, Community Capacity Building Manager at ChildFund International in Kenya, Programme Officer at MPIDO, and UNV Electoral Observer for UNDP in Kenya.



Name: Ms. Marie Njeri Mugo
Position: Independent Member
DoB: 17/06/1967
Date of Appointment: 22/05/2022

Key Responsibilities

Serving as Chairperson of the Academic and Research and a member of Audit, Governance, Compliance and Risk Management Committees of Council.

Qualification

Ms. Marie Njeri Mugo holds a Master of Arts in Gender and Development from the University of Nairobi, a Bachelor of Arts from Kenyatta University, and Diploma in Education from Kenyatta University.

Work Experience

Ms. Mugo has served as Gender Technical Advisor at Mepserve Africa Limited, Chief Officer for Youth Affairs, Sports, and Communication with the County Government of Kiambu, and as Administrator of the Youth, Women, and Persons with Disabilities Enterprise Development Fund with the County Government of Kiambu.



Name: Mr. Joseph Kiarri
Position: Alternate Director - PS., National Treasury and Economic Planning
DoB: 29/09/1966
Date of Appointment: 30/09/2019
Exited: 28/03/2024

Key Responsibilities

Served as a member of the Finance, Investment and General Purposes, Audit, Governance and Risk Management Committees of the Council.

Qualification

Mr. Joseph Kiarri holds a Bachelor of Commerce with an Accounting option from the University of Nairobi and is a Certified Investment and Financial Analyst (CIFA).

Work Experience

Mr. Kiarri served as Director of Portfolio Management and Public Investments at The National Treasury and Economic Planning and has worked as a Certified Investment and Financial Analyst.



Name: Ms. Susan Ngigi
Position: Alternate Director - PS, The National Treasury and Planning
DoB: 22/11/1972
Date of Appointment: 28/03/2024

Key Responsibilities

Serving as a member of the Finance, Investment and General Purposes, Audit, Governance and Risk Management and Human Resource Management Committees of the Council.

Qualification

Ms. Susan Ngigi holds a Bachelor of Arts from Kenyatta University and a Diploma in Business Management from the Kenya Institute of Management.

Work Experience

Ms. Susan Ngigi serves as an Assistant Director of Human Resource Management and Development at the National Treasury and Planning. Previously, she was a Human Resource Management Officer at the Ministry of Roads.





Name: Dr. Frank Ndakala

Position: Alternate Director - PS, SDHE&R- Ministry of Education

DoB: 1974

Date of Appointment: 01/10/2021

Key Responsibilities

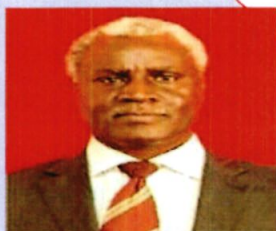
Serving as a member of the Finance, Investment and General Purposes, Human Resource Management Committees of Council.

Qualification

Dr. Frank Ndakala holds a PhD and a Master of Science from the University of Nairobi, as well as a Postgraduate Diploma from the University of Edinburgh, Scotland.

Work Experience

Dr. Ndakala has served as Assistant Director at the State Department for Higher Education and Research (SDHE&R) within the Ministry of Education (MoE). He was also the Project Lead and Principal Investigator for the Pfizer Quality Improvement project on hospital treatment programs in Kenya. His research experience spans national, regional, and international levels. Additionally, he has served on the Board of Management for three national public institutions and one university Council.



Name: Prof. Kibett Rotich

Position: Vice Chancellor and Council Secretary

DoB: 11/02/1958

Date of Appointment: 12/06/2018

Key Responsibilities

Secretary to the Council and following Committees of Council: Finance, Investment and General Purposes; Human Resource Management; Academic and Research.

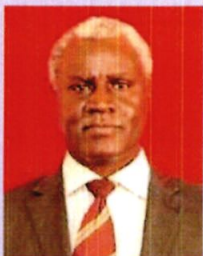
Qualification

Prof. Kibett Rotich holds a PhD in Mathematics from Shanghai University of Science and Technology, Master of Business Administration from Jomo Kenyatta University of Science and Technology, Postdoctoral degree in Medical Informatics from Indiana University, USA, Master of Science in Statistics from the University of Southampton, UK, and Bachelor of Science in Mathematics and Statistics from the University of Nairobi.

Work Experience

Prof. Rotich is the Vice Chancellor of Laikipia University. Previously, he served as Deputy Vice-Chancellor (Administration and Finance) at Masinde Muliro University of Science and Technology, Deputy Principal (Academic and Student Affairs) at Rongo University College, Acting Principal at both Garissa University College and Kabianga Campus. He has also been the Dean of the School of Public Health at Moi University, Professor of Biostatistics at Moi University, Statistician at the CDC in Entebbe, Uganda, and Consultant Biostatistician for the Academic Model for Providing Access to Health Care (AMPATH).

UNIVERSITY MANAGEMENT BOARD



Name: Prof. Kibett Rotich

Position: Vice Chancellor and Council Secretary

DoB: 11/02/1958

Date of Appointment: 12/06/2018

Key Responsibilities

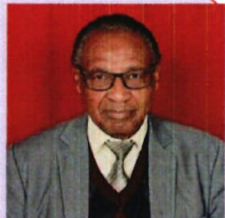
Secretary to the Council and following Committees of Council: Finance, Investment and General Purposes; Human Resource Management; Academic and Research.

Qualification

Prof. Kibett Rotich holds a PhD in Mathematics from Shanghai University of Science and Technology, Master of Business Administration from Jomo Kenyatta University of Science and Technology, Postdoctoral degree in Medical Informatics from Indiana University, USA, Master of Science in Statistics from the University of Southampton, UK, and Bachelor of Science in Mathematics and Statistics from the University of Nairobi.

Work Experience

Prof. Rotich is the Vice Chancellor of Laikipia University. Previously, he served as Deputy Vice-Chancellor (Administration and Finance) at Masinde Muliro University of Science and Technology, Deputy Principal (Academic and Student Affairs) at Rongo University College, Acting Principal at both Garissa University College and Kabianga Campus. He has also been the Dean of the School of Public Health at Moi University, Professor of Biostatistics at Moi University, Statistician at the CDC in Entebbe, Uganda, and Consultant Biostatistician for the Academic Model for Providing Access to Health Care (AMPATH).



Name: Prof. Charles Mweu Nguta

Position: Acting Deputy Vice-Chancellor (Academic Research and Student Affairs).

DoB: 29/12/1954

Date of Appointment: wef 01/01/2024

Key Responsibilities

Serving as the acting Deputy Vice-Chancellor (Academic, Research & Student Affairs).

Representing the Academic and Research Division in the Academic and Research Committee of the Council.

Qualification

Prof. Charles Nguta holds a PhD from Loughborough University of Technology (UK), Master of Science in Analytical Chemistry from the same institution and Bachelor of Science in Chemistry from the University of Nairobi.

Work Experience

Prof. Charles Nguta is the Acting Deputy Vice-Chancellor (Academic, Research and Student Affairs) at Laikipia University. He has served as Chairman of the Laikipia University Institutional Research Ethics Committee, Dean of the School of Science and Applied Technology at Laikipia University, and Chairman of the Chemistry Department at Egerton University. He is an Associate Professor in the School of Science and Applied Technology at Laikipia University. Previously, he was a Senior Lecturer at Egerton University, Research Officer at the Kenya Marine and Fisheries Research Institute in Mombasa and an Analyst at the Government Chemist Department.



Name: Prof. James Ogola
Position: Acting Deputy Vice-Chancellor (Administration, Finance and Planning)
DoB: 04/04/1963
Date of Appointment: wef 01/01/2024

Key Responsibilities

Serving as acting Deputy Vice-Chancellor (Administration, Finance and Planning).

Representing the Administration, Finance and Planning Division in Finance, Investment and General Purposes Committee of Council.

Qualification

Prof. James Ogola holds a Post-Doctoral Research Fellowship from the University of Vienna, Doctor of Philosophy in Applied Linguistics from the University of Vienna, Master of Arts in Linguistics and Kiswahili Studies from Kenyatta University, and Bachelor of Education (Arts) from Kenyatta University.

Work Experience

Prof. James Ogola is the Acting Deputy Vice-Chancellor (Administration, Finance, and Planning) at Laikipia University. Previously, he has served as Acting Director of the Research, Human Rights, and Gender Directorate, Director of Nakuru Campus, Dean of Students at Laikipia University, and Acting Chairperson of the Department of Literature, Languages, and Linguistics at Laikipia University. He is a Professor of Applied Linguistics at Laikipia University. Prior to this role, he was a Senior Lecturer and Lecturer at Egerton University, Assistant Lecturer at Kenyatta University, and a Graduate Assistant at Kenyatta University.



Name: Prof. Robert Mwebi
Position: Registrar (Academics Affairs)
DoB: 12/03/1978
Date of Appointment: wef 01/02/2023

Key Responsibilities

Serving as Registrar (Academic Affairs) and secretary to the University Senate.

Qualification

Prof. Robert Mwebi holds a PhD in Education from the University of Pune, Master of Business Administration from Sikkim Manipal University, Master of Education from the University of Pune, and Bachelor of Education from Egerton University.

Work Experience

Prof. Mwebi currently serves as the Registrar (Academic Affairs) at Laikipia University. His previous roles include Director of Quality Assurance and Standards, Senior Lecturer, Lecturer, Departmental Examination Officer and Teaching Practice Coordinator at Laikipia University. He has also been a Tutor at Kabete Technical Training Institute and a teacher at Kisii High School.





Name: Dr. Hezron Nyamwega
Position: Registrar (Administration and Human Capital)
DoB: 13/06/1970
Date of Appointment: 02/11/2020

Key Responsibilities

Serving as Registrar (Administration and Human Capital) and secretary to the University Management Board.

Qualification

Dr. Hezron Nyamwega holds a PhD from the Catholic University of Eastern Africa, Master of Business Administration from the University of Nairobi, Master's in Educational Psychology from Moi University, and Bachelor of Education in Arts from Moi University.

Work Experience

Dr. Nyamwega is the Registrar (Administration and Human Capital) at Laikipia University. Previously, he has served as Assistant Director of Human Resources (Remuneration) at the Salaries and Remuneration Commission, HR and Capacity Building Advisor for the Government of South Sudan, Principal HR and Development Officer at the Ministry of Environment, Water, and Irrigation, and Chief HR Management and Development Officer in the Office of the President. He also has experience as a teacher at Paul Boit Kaplong Secondary School.



Name: CPA. Geoffrey K. Langat
Position: Chief Finance Officer
DoB: 10/10/1968
Date of Appointment: 16/12/1991

Key Responsibilities

Serving as the Chief Finance Officer and secretary to the University Budget Formulation and Implementation Committee.

Qualification

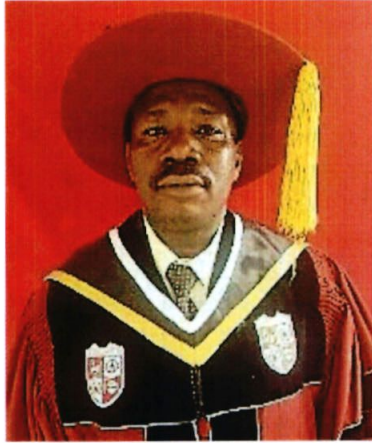
CPA. Geoffrey K. Langat is a Certified Public Accountant (CPA-K) and a member of the Institute of Certified Public Accountants of Kenya (ICPAK). He holds Master of Business Administration (MBA) from Egerton University and Bachelor of Business Administration from Kenya Methodist University.

Work Experience

CPA. Langat is the Chief Finance Officer at Laikipia University. Previously, he served as Deputy Finance Officer at Laikipia University, Senior Accountant at Egerton University - Laikipia Campus and Assistant Accountant at Egerton University.



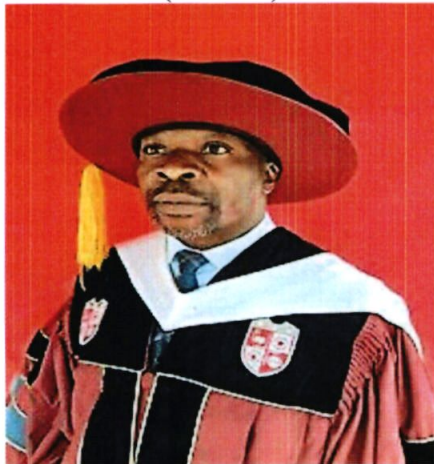
DEANS OF SCHOOLS



Prof. Enos Barasa Mukadi
Dean, School of Education,
B. Ed. (Maseno), M.Ed. (Egerton), Ph.D.
(Kabarak)



Dr. Sheila Pamela Wandera-Simwa
Dean, School of Humanities and Development
Studies,
B.Ed. (Moi), M.A. (Egerton), Ph.D. (Laikipia)



Dr. Poti O. Abaja,
Dean, School of Science and Applied
Technology,
B.Sc., M.Sc. (Egerton), Ph.D. (Kabarak)



Prof. Peter Mwaura
Dean, School of Business and Economics,
B. Com. (UoN), MBA (Egerton), Ph.D.
(JKUAT)

CORE BUSINESS OF LAIKIPIA UNIVERSITY

The main objectives of the University are stipulated in the Laikipia University Charter of 19th February, 2013. Part II Sec 7(1) of the Charter provides the functions and objectives of the University which are;

- a) To provide directly, or in collaboration with other institutions, integration of teaching, research and effective application of knowledge and skills;
- b) Participate in scholarly work, discovery, transmission, utilization, preservation and enhancement of knowledge with a view to stimulating intellectual participation of students in the economic, social, cultural, scientific and technological development of Kenya;
- c) Establish centers of excellence, colleges, schools, faculties, institutes, departments, and other resource and administrative units as may be appropriate;
- d) Facilitate student and staff mobility between programmes of study at local, regional, and international universities and institutions;
- e) Participate in commercial ventures and activities that promote the objectives of the institutions;
- f) Foster the general welfare of staff and students;
- g) Develop and provide educational, cultural and professional services that foster corporate social responsibility in the University and collaborating institutions;
- h) Promote equity and social justice;
- i) Offer continuing professional development opportunities;
- j) Conduct examinations for and to grant and confer such academic awards as may be provided for in the Act and the Statutes;
- k) Establish a High Altitude International Sports Training Centre for training, teaching, research, and recreation;
- l) Contribute to sustainable development of Arid, and Semi-Arid Lands resources of Kenya;
- m) Engage in action research, extension and outreach; and
- n) Establish an Information, Communication and Technology hub in teaching, research, training, innovation, outreach and consultancy in the region and globally.



STATEMENT FROM THE CHAIRMAN OF COUNCIL

I am honoured to present the Annual Report and Financial Statements for the year ended 30th June 2024. This report highlights a year marked by notable achievements, reviewing key activities, financial performance, challenges encountered and future strategic focus of the University.



Key Activities

The following are the key activities that were undertaken by the University during the 2023/2024 financial year:

1. Admission of 2,871 first-year students;
2. Held a successful 11th Graduation Ceremony in December 2023;
3. Strengthened collaboration and partnerships with industry; and
4. Enhanced the quality of education by embracing the Quality Assurance Framework in University undertakings and operations.

Overall Performance

During the year under review, the University received Kes 684.6 million from the government and Kes 735.9 million from A-in-A to finance its activities and programmes. These activities were executed by a dedicated workforce of 445 staff members consisting of both teaching and administrative personnel. The workforce served a student population of 8,351 across the four Schools at the University. The University optimally utilized its resources to document achievements as outlined subsequently.

Achievements

During the 2023/2024 financial year, the University recorded various milestones. Among these achievements included:

- i. Graduated 1,250 students during the 11th Graduation Ceremony;
- ii. Growth of student population from 5,390 in the 2022/2023 financial year to 8,351 students in the 2023/2024 financial year;
- iii. Launched the 2023-2027 Laikipia University Strategic Plan;
- iv. Provision of requisite facilities to support academic and research activities; and
- v. Spurred student and staff development through various initiatives to enhance holistic well-being, among them training and mentorship programmes.



Challenges

Despite the achievements made by the University, it faced various challenges in equal measure. During the year under review, the main challenges included:

- i. Inadequate teaching staff;
- ii. Inadequate infrastructure; and
- iii. Rising and fluctuating operational costs.

Despite these challenges, the University maintained a stable financial position by increasing student enrolment and implementing optimal resource management practices. These efforts enabled the University to successfully achieve its goal of producing high-quality graduates.

University Strategic Focus and Way Forward

The University remains committed to providing quality education and fostering innovation. The University's strategic focus includes diversifying revenue sources, enhancing research output, expanding infrastructure and prioritizing digital transformation. Moreover, strengthening collaborations with industry and international partners will be key to ensuring the expansion of opportunities for graduates in the local and global markets.

Appreciation

On behalf of the Council, I extend my heartfelt appreciation to the Ministry of Education and stakeholders whose support has been instrumental in the University's accomplishments. Together, we will continue to steer the University to greater heights.

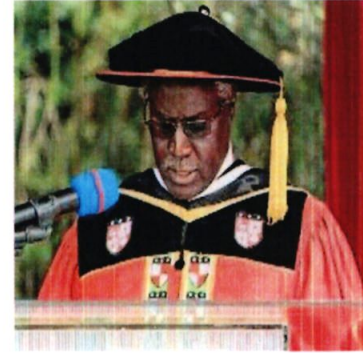

Dr. Lemein Korei, PhD.

CHAIRMAN, LAIKIPIA UNIVERSITY COUNCIL



STATEMENT FROM THE VICE CHANCELLOR

It is with a deep sense of responsibility that I present the Annual Report and Financial Statements for the year ended 30th June 2024. The report provides an overview of the University's performance highlighting both non-financial and financial areas. The report provides a view on the implementation of its mission and mandate geared towards nurturing and transforming for the World in line with issues advanced in the University's Strategic Plan.



To fulfil its mandate, the University implemented interventions designed to enhance service delivery and produce quality graduates for the competitive job market. These efforts align with the government's BETA agenda for sustaining education. Details of these activities and the University's performance are outlined below.

Key Activities

During the year, the University successfully launched its 2023-2027 Strategic Plan, setting a clear path for growth and development. Other key activities included strengthening partnerships with industry, investing in infrastructure, implementing a quality assurance framework and pursuing strategic initiatives to enhance student and staff welfare. These efforts provided valuable opportunities for the achievements made during the year.

Operational and Financial Performance

To finance University operations in the 2023/2024 financial year, the University prepared a consolidated budget of Kes 1.37 billion. This comprised of Kes 1.32 billion for recurrent expenditure and Kes 44.4 million to finance capital projects during the period. However, there were emerging expenditures that led to the realignment and reprioritization of spending within the available limited resources. The University therefore revised the budget to Kes 1.39 billion comprising of Kes 1.34 billion for recurrent expenditure and Kes 51.4 million for capital expenditure.

During the year under review, the University registered total revenue of Kes 1.4 billion in the 2023/2024 financial year in comparison with Kes 1.2 billion in the 2022/2023 financial year. The increase in revenue was as a result of the implementation of the New Funding Model. Included in total revenue was government capitation at Kes 678 million and students fees at Kes 722 million. In addition, the University registered growth in net assets by 9.2% from Kes 2.1 billion in 2022/2023 financial year to Kes 2.3 billion in 2023/2024 financial year.

The University had a workforce of 445 staff members consisting of both teaching and administrative personnel. The workforce served a student population of 8,351 across the four Schools at the University.

The University admitted 2,871 first-year students. The total student population for the year was 8,351, distributed across four schools, with a gender ratio of 52:48 (4,326 males and 4,025 females). This was a reflection of the University's commitment to gender balance.

The University held its 11th Graduation Ceremony in December 2023. A total of 1,250 students graduated, receiving various awards: 9 doctorates, 11 master's degrees, 1,204 bachelor's degrees and 26 diplomas.

To further boost students' academics and their holistic development, students were engaged in welfare matters through various initiatives. For instance, the University supported student participation in nine sports tournaments, invested in diverse clubs and societies, and hosted cultural and innovation events in promotion of cohesion and diversity. Moreover, financial assistance was provided through bursaries and a Work Study Programme to needy students. Additionally, the University improved counseling services by hiring a new counselor and training peer mentors to offer guidance on career and life skills.

The University reinforced its commitment to global impact by actively participating in the 4th Biennial Conference organized by the Commission for University Education at KICC, where it showcased its innovative research findings. Additionally, the University held its 4th Research and Innovation Day, highlighting various research and innovation projects. To disseminate its research output, the University published 70 articles in peer-reviewed journals.

During the year under review, the University undertook several initiatives to enhance the quality of education and service delivery. These included; sensitizing students on academic services, complaint handling and access to information mechanisms. The University also conducted two workshops on Competency-Based Education and Training (CBET), retooling 60 lecturers to become CBET-compliant. Additionally, a three-day Competency-Based Curriculum (CBC) training was held in collaboration with The T3 Alliance Team, focusing on interactive student-centred learning.

Challenge

The major challenge the University has been facing is inadequate learning spaces occasioned by insufficient financial resources to complete the projects. This has further affected the declared capacity for the placement of students.

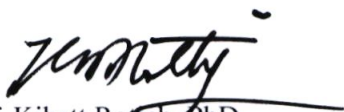


University Strategic Focus and Way Forward

Looking ahead, the University remains steadfast in its unwavering dedication to delivering exceptional education and fostering innovation. The University's strategic focus and priorities include diversifying revenue streams, boosting research productivity, expanding infrastructure, offering market-driven and customer-centric programs and advancing digital transformation. Strengthening partnerships with industry and international stakeholders is crucial to ensuring graduates from the University excel globally.

Appreciation

I would like to thank the Ministry of Education and The National Treasury and Economic Planning for their support. A special appreciation to the University Council, Management Board, staff, students, industry partners and other stakeholders who supported the University in attaining these achievements.



Prof. Kibett Rotich, PhD
Professor of Biostatistics and Informatics
VICE CHANCELLOR



STATEMENT OF UNIVERSITY PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024

The Strategic Plan 2023-2027 informed the University Performance Contract in generation of annual targets and activities as required by the Performance Contracting Guidelines. The Strategic Plan is hence one of the requisite documents during the performance contracting negotiation and vetting process.

Laikipia University has Six (6) strategic issues within the Strategic Plan for the FY 2023/2024-2027/2028.

These strategic issues are as follows:

Strategic Issue 1: Academic Programmes;

Strategic Issue 2: Research, Innovation and Consultancy;

Strategic Issue 3: Human Capital;

Strategic Issue 4: Physical Infrastructure;

Strategic Issue 5: Investment and Resource Mobilization; and

Strategic Issue 6: Quality Assurance and Standards.

Laikipia University develops its Annual Work Plans based on the above Six(6) Strategic Issues. 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 2023/2024 period for its Six (6) Issues as indicated in the table below;

Strategic Issue	Strategic Objective	Strategy	Key Activities	Output Indicators	Achievement/Remarks
Academic Programmes	To improve academic services, teaching and learning experience	Review and develop market driven programmes	Review existing programmes	No. of programmes	4 undergraduate programmes in the School of Education reviewed to be CBE compliant
			Develop market-driven programmes	No. of programmes	7 academic programmes developed
		Revamp student academic advising and career placement services	Conduct academic and career advising	No. of sessions	10 academic and career advising sessions held



Research, Innovation and Consultancy	To increase research, innovation and consultancy activities	Boost community service	Conduct community services	Number of services	4 community outreach services conducted
		Enhance dissemination of research output	Hold school forums and conferences	Number of sessions	3 school research forums held
		Enhance grant proposal writing and consultancy services	Bid for 20 grants and consultancies	No. of bids	2 successful bids
Human Capital	To attract and retain competent staff	Ensure adequate staffing	Recruit non-teaching staff	No. of staff	10 non-teaching staff recruited
			Conduct staff training	No. of staff	132 staff trained
		Enhance staff productivity	Sensitize staff on productivity mainstreaming	No. of staff	96 staff sensitized on productivity mainstreaming
Physical Infrastructure	To improve built environment and utility services	Facilities improvement and small works	Install science laboratory equipment	No. of labs	Equipment worth Kes. 1.127 M installed in 3 labs (biological, chemistry and physics)
			Enhance IT infrastructural capability	Expand LAN	No. of areas
		Install cloud storage and backup		No. installed	Cloud storage installed
Quality Assurance and Standards	To improve quality standards and service delivery	Digitalize University services	On board mapped services to E-Citizen	% of mapping	10% of services on boarded to e-citizen platform

CORPORATE GOVERNANCE STATEMENT

The University's governance and legal structure are primarily defined by the Universities Act of 2012, the University Charter 2013, Statutes 2021, the Council Charter 2023, and other relevant regulations. These documents establish the framework for the following University governance arrangements as outlined below:

A. University Council

The University Council, chaired by the Chairperson, is the supreme governing body responsible for overseeing the University and advancing its foundational and educational objectives. It supervises the University's operations through the University Management Board and the Senate, in line with the Charter and Statutes.

The Council is accountable to the citizens for maintaining high standards of corporate governance, academic excellence, and ethical conduct. It emphasizes adherence to widely accepted corporate governance practices and upholds the University's core values. The Council defines the University's strategies, objectives, and values, ensuring the implementation of procedures and practices that guarantee effective financial controls and operational efficiency.

The appointment and succession planning of Council members follows the guidelines set out by the Ministry of Education. The Ministry appoints both independent and alternate Council members through a competitive process. During the appointment, the Ministry considers among other aspects; qualification and specialization, regional balance and gender.

To fulfill their mandate, Council members receive essential support, including fair remuneration based on the 2004 Guidelines on Terms and Conditions of Service for State Corporations and relevant government circulars. This remuneration package encompasses allowances for accommodation, mileage, and lunch. Furthermore, the Chairperson, in addition to the standard benefits, receives a monthly honorarium and an airtime allowance.

The Council's performance is evaluated annually by the State Corporation Advisory Committee (SCAC), with results presented to Council members at a Council meeting. This evaluation audit covers among others; the Council's governance on adherence to the code of conduct, legal compliance, management processes, risk management, effective delegation, and staff empowerment. The University has established functional governance organs and structures, with the Council overseeing its mandate's execution through various committees. These committees operate under the



Council Charter, the Code of Conduct (*Mwongozo*), and other relevant guidelines, ensuring the University's objectives are met effectively.

Laikipia University is committed to upholding the highest standards of transparency, integrity, and accountability. The University is dedicated to conducting its affairs responsibly and in full compliance with legal requirements and the set standards. In alignment with the Conflict of Interest Policy outlined in the Conflict of Interest Bill 2023, all members of the University community, including the University Council, Management Board and members of staff are bound by this policy. Members disclose conflicts of interest and avoid participating in related discussions or decisions. Conflicts arise when personal interests potentially interfere with professional duties or decision-making.

The University has established an Ethics and Anticorruption Policy as part of its commitment to uphold high standards in corporate governance. This policy features a whistle-blowing mechanism for confidentially reporting unethical or illegal activities. This ensures whistle-blowers are protected from retaliation. It also mandates thorough investigation and resolution of all reported concerns, reinforcing the University's dedication to transparency, integrity, and accountability.

Additionally, the University has Standard Operating Procedures in place to ensure clear and consistent communication with all stakeholders. These procedures guide both internal and external communications, ensuring information is disseminated accurately and promptly. This approach fosters trust, engagement, and alignment with the University's values and objectives.

1. Council Meetings

The University Council convenes scheduled meetings every quarter by the approved Council Calendar and guidelines from the State Corporation Advisory Committee (SCAC). Special meetings are also held as the need arises to address important issues without waiting for the next regular meeting. During both the regular and special meetings, Council members are required to sign the attendance register and declare any potential conflict of interest, that is recorded in the conflict of interest register as applicable.

Below is the analysis of the Committee meetings held during the 2023/24 financial year, as guided by the key provided:

1. √ Means member attended the meeting
2. * Means member did not attend the meeting
3. NA Means was not a member of the Council at the time of the meeting



During the period under review, the University Council held nine (9) Council meetings as indicated below:

Council Member	Date of Meeting								
	21/07/20 23	28/07/20 23	22/09/20 23	13/10/20 23	22/11/20 23	1/12/20 23	26/01/20 24	12/4/20 24	25/06/20 24
Dr. Lemein Korei - Chairperson	NA	NA	NA	NA	NA	NA	√	√	√
Dr. Charles Malalah	√	√	√	√	√	√	√	√	√
Mr. Paul Bore	√	√	√	√	√	√	√	√	√
Ms. Marie Mugo	√	√	√	√	√	√	√	√	√
Ms. Sereya Maitoyo	√	√	√	√	√	√	√	√	√
Dr. Frank Ndakala	√	√	√	√	√	√	√	√	√
Mr. Joseph Kiarii	√	√	√	*	*	√	√	√	NA
Ms. Susan Ngigi	NA	NA	NA	NA	NA	NA	NA	NA	√

Note

As guided by *Mwongozo* and a circular from the Office of the President referenced OP/CAB.9/1A dated 11th March 2020, the Council should hold a maximum of six (6) meetings in a financial year. In the 2023/2024 financial year, nine (9) Council meetings were conducted, exceeding the mandated minimum of six (6) meetings by three (3). The University sought authorization from the Ministry of Education to convene these additional meetings. The rationale for holding these extra meetings is as follows:

S/No.	Date of the Meeting	Justification
1.	28/07/2023	The meeting was held to approve the: a. Rationalized Laikipia University Budget for the 2023/2024 financial year; b. Proposed Council Calendar for the 2023/2024 financial year; and c. Proposed membership of Council Committees.
2.	22/11/2023	The meeting was held to: a. Receive and deliberate on the Council Evaluation Report for the 2022/2023 financial year by the State Corporations Advisory Committee (SCAC); and b. Approve Financial Appraisal Report for the Science Laboratories Block Project.
3.	25/06/2024	The meeting was held to approve the extension of the acting term for the Acting Deputy Vice-Chancellor (Administration, Finance and Planning) and Deputy Vice-Chancellor (Academic, Research and Student Affairs).



2. Committees of the University Council

The University Council functions through Committees, with four (4) dedicated Committees with each of them specifically tasked to support the execution of the Council's mandate. These Committees are established in accordance with the governance code for State Corporations. In accordance with this framework, the following four (4) Committees were established and operationalized by the Council:

- a. Audit, Governance, Compliance and Risk Management Committee,
- b. Finance, Investment and General Purposes Committee,
- c. Human Resource Management Committee,
- d. Academic and Research Committee.

In addition to the four (4) established Committees, the Council retains the prerogative to form *Ad-Hoc* Committees as the need arises. These *Ad-Hoc* Committees are created to address emerging issues that require focused attention but fall outside the scope of the regular Council Committees. Each *Ad-Hoc* Committee is assigned clear terms of reference and is intended to operate for a limited duration.

Scheduled Committee meetings are held quarterly, with their reports subsequently presented to the Council during a Council meeting.

i) Audit, Governance, Compliance and Risk Management Committee

The Committee assists the University Council to fulfill its corporate governance responsibilities and in particular to:

- 1. Review financial statements before submission to the University Council focusing on changes of accounting policies, compliance with the International Public Sector Accounting Standards and legal requirements and the going concern assumption;
- 2. Strengthen the effectiveness of the internal audit function;
- 3. Maintain oversight on internal control systems; and
- 4. Review and make recommendations regarding the University's budgets, financial plans and risk management.

During the period under review, the Audit, Governance, Compliance and Risk Management Committee held four (4) meetings as indicated below:

Council Member	Date of Meeting			
	02/10/2023	03/11/2023	12/01/2024	05/04/2024
Mr. Paul Bore - Chairperson	√	√	√	√
Mr. Joseph Kiarri	√	√	√	√
Ms. Marie Mugo	√	√	√	√



ii) Finance, Investment and General Purposes Committee

The mandate of the Committee is to oversee; planning, preparation of annual estimates and expenditures, resource mobilization, university investments, policy and regulation development, construction of new infrastructure and ensuring accurate financial reporting in compliance with legal requirements. It also handles general matters outside the scope of other University Council Committees.

During the year under review, the Committee of the Council held four (4) meetings during the year as shown below:

Council Member	Date of Meeting			
	21/09/2023	12/10/2023	15/01/2023	11/04/2024
Dr. Charles Malalah - Chairperson	√	√	√	*
Ms. Sereya Maitoyo	√	√	√	√
Dr. Frank Ndakala	√	√	√	√
Mr. Joseph Kiarii	√	*	√	√

iii) Human Resource Management Committee

The Committee reviews and makes recommendations on matters related to staff training and development, staff recruitment, promotions, staff disciplinary matters and staff welfare.

During the year, the Human Resource Management Committee convened one (1) meeting as outlined below:

Council Member	Date of Meeting
	21/11/2023
Ms. Sereya Maitoyo - Chairperson	√
Dr. Charles Malalah	√

iv) Academic and Research Committee

The Committee reviews and makes recommendations on matters related to academics and research. It provides strategic direction for scholarly activities and oversees the establishment of centres of excellence, Schools, Faculties, Institutes, and Academic Departments as necessary. During the 2023/2024 financial year, the Academic and Research Committee convened two (2) meetings as detailed below:

Council Member	Date of Meeting	
	21/09/2023	30/11/2023
Ms. Marie Mugo - Chairperson	√	√
Mr. Paul Bore	*	√
Dr. Frank Ndakala	√	√

Additionally, in the year under review, the following meetings and activities were undertaken by the Council:

S/No.	Date	Meeting
1.	15/08/2023	Appeals and Grievances Handling <i>Ad-Hoc</i> Committee
2.	22/09/2023	Appeals and Grievances Handling <i>Ad-Hoc</i> Committee
3.	16/10/2023	Evaluation of the performance contract for 2022/2023 financial year
4.	22-24/11/2023	Induction of Council members on University operations
5.	22/12/2023	Laikipia University 11 th Graduation Ceremony
6.	21-23/02/2024	Council Retreat to approve University Policies.
7.	14/03/2024	Appeals and Grievances Handling <i>Ad-Hoc</i> Committee
8.	15/03/2024	Staff Appointment Committee
9.	20-23/05/2024	Council Retreat to approve University Strategic Plan and Policies.
10.	01/03/2024	Stakeholder Meeting on Engagement on the Review of Draft Legislation attended by Chairperson of Council.
11.	09/03/2024	Special Meeting for Chairpersons of Councils of Public Universities attended by Chairperson of Council.
12.	24/03/2024	Memorial service at Kenyatta University for the eleven (11) students who perished in a road accident attended by the Chairperson of Council.
13.	26/03/2024	Consultative meeting at State House, Nairobi attended by Chairperson of Council.
14.	07/04/2024	Inter-Public Universities Council Consultative Forum (IPUCCF) Meeting attended by the Chairperson of the Council.
15.	15/04/2024	Special IPUCCF online attended by the Chairperson of the Council.
16.	15-17/04/2024	Wage Bill Conference at the Bomas of Kenya, attended by the Chairperson of the Council.
17.	04/06/2024	Unveiling of Guidelines on Management of State Corporations attended by the Chairperson of the Council.
18.	07/06/2024	Installation of Masaai Mara University Chancellor attended by the Chairperson of the Council.
19.	13 -15/06/2024	Induction of Council members
20.	21/06/2024	Launch of University 2023-2027 Strategic Plan

B. University Management Board

The University Management Board at Laikipia University, chaired by the Vice-Chancellor, plays a crucial role in corporate governance by guiding the university's strategic direction, overseeing financial management, and maintaining academic integrity. It formulates policies, mitigates risks, and ensures adherence to ethical standards and regulatory requirements. The Vice-Chancellor, supported by two Deputy Vice-Chancellors responsible for Academic, Research, and Student Affairs, and Administration, Finance and Planning, leads the board in upholding the university's mission and fostering a culture of transparency, accountability, and continuous improvement.

C. University Senate

The University Senate, chaired by the Vice-Chancellor, is the primary academic authority at the University, overseeing and regulating academic policies and standards. It comprises School Deans, department Chairpersons, Professors and Directors of various Directorates. The Senate is responsible for approving academic programs, curricula, regulations, ensuring the quality and integrity of education, and aligning the University's academic activities with its strategic goals to promote scholarly rigour and innovation.



ENVIRONMENTAL AND SUSTAINABILITY REPORTING

In an era where global environmental challenges are becoming increasingly evident, the importance of environmental and sustainability reporting has grown exponentially. Environmental and sustainability reporting goes beyond traditional financial reporting, extending its focus to the environmental and social impacts of an organization's activities.

i. Sustainability strategy and profile

The University leadership is committed to driving the sustainability agenda, recognizing its crucial role in shaping a sustainable future for both the institution and the broader community. This commitment is demonstrated through the setting of sustainability goals, allocation of resources, and oversight of the implementation of activities. To this end, the University launched a comprehensive Strategic Plan (2023-2027), which serves as a roadmap for embedding sustainability across all aspects of the institution's operations, academics, and community engagement. A Resource Mobilization and Investments Policy was also developed to provide a framework through which the University can mobilize resources and venture into investments and thereby increase internally generated revenue. Additionally, the University adopted the new Student Centered Funding Model that the Government introduced to address the challenge of inadequate funding, and implemented with the cohort of 2023/2024 first year students.

ii. Environmental performance

Environmental performance is a critical aspect of an organization's sustainability efforts that involves assessing and improving the environmental impact of the organization's operations, products, and services. An *Environmental Management and Sustainability Policy* is in place, which directs its activities across all areas, ensuring the implementation of best practices in environmental sustainability. Biodiversity management is a critical component of environmental performance, as the University increasingly recognizes the importance of preserving ecosystems and species. Key efforts in biodiversity management include: sustainable land use and agriculture as well as collaborations with environmental organizations, such as Kenya Forest Research Institute (KEFRI) and Kenya Forest Service (KFS). During the year under review, the University conducted four (4) tree planting events, where a total of 15,800 tree seedlings were planted. KEFRI donated 4350 of tree seedlings for propagation at the University's tree nursery while KFS donated 1,000 exotic and indigenous tree seedlings. This initiative aimed to align with the *National Tree Growing and Restoration Campaign* launched by H.E. the President on December 21st, 2022, in which the country aims to plant 15 billion trees to restore 10.6 million hectares by 2032. The University is committed to minimize inputs and associated solid waste generation in all



areas, however, removal and disposal of asbestos roofing materials was not done due to financial constraint.

iii. Employee welfare

The University follows the Employment Acts and its Human Resource Management Policies and Procedures Manual (2020) in all matters concerning employees. The University is also committed to addressing gender and equality issues in line with the National Gender and Equality Commission Act of 2011. This commitment is carried out through the Directorate of Human Rights and Gender, guided by the Gender Mainstreaming Policy. The gender ratio of male to female was 60:40 during the year under review. The recruitment process is collaborative process that includes stakeholders from various groups such as staff unions and the University Senate. The University is dedicated to staff development at all levels, with a staff training committee overseeing training needs and offering tuition fee waivers to successful candidates. Employee performance is evaluated annually through a structured appraisal system. Further, the Reward and Recognition Policy defines how staff contributions are acknowledged. The University adheres to the Occupational Safety and Health Act of 2007 by maintaining a safe working environment and ensuring employees are responsible for safety in their roles.

iv. Market place practices

a) Responsible competition practice

The University is committed to ensuring responsible competition practices by upholding the highest standards of integrity and fairness. To combat corruption, an *Ethics and Anti-Corruption Policy* is in place that establishes ethical principles and conduct of its workers. These policies are designed to prevent any unethical behavior, including bribery, fraud, or conflicts of interest, thus fostering a transparent business environment. In terms of political involvement, the organization maintains a stance of neutrality, ensuring that any engagement in political activities is conducted responsibly and in accordance with legal and ethical standards. The institution is also committed to fair competition. It also adheres to all relevant competition laws and regulations, avoiding practices that could unfairly disadvantage competitors or distort the market. This includes refraining from any form of collusion, price-fixing, or abuse of market dominance.

b) Responsible supply chain and supplier relations

The University is dedicated to maintaining good business practices in its dealings with suppliers. This commitment is reflected in adherence to ethical standards and its proactive approach to building and sustaining strong supplier relationships. The suppliers are treated with fairness and respect, ensuring the terms of contracts are clear and mutually beneficial throughout the duration



of the partnership. Additionally, the University is committed to responsible payment practices. Payments to suppliers are made promptly and in accordance with agreed-upon schedules, demonstrating the organization's respect for its financial obligations. This practice not only strengthens relationships with suppliers but also supports their financial stability, contributing to a healthy supply chain. In the year under review the University managed to pay 86% of suppliers of goods and services while applying inordinate effort to reduce it's the pending bills.

c) Responsible marketing and advertisement

In promotion of its products and services, the University is steadfast in maintaining ethical marketing practices, ensuring that all promotional activities are conducted with integrity, transparency, and respect for consumers. Laikipia University is cognizant of its consumers' right of choice and the role of advertisements and its effectiveness. These efforts are crucial to building and sustaining trust with customers and the broader community.

d) Product stewardship

The University is fully dedicated to safeguarding consumer rights and interests, recognizing that protecting consumers is essential to building trust and fostering long-term relationships. Several key initiatives and practices are in place to ensure that consumers are treated fairly, transparently, and respectfully. The initiatives include truthful advertising, cultural sensitivity, transparency in pricing and offers, feedback and continuous improvement.

v. Corporate Social Responsibility (CSR)

In the 2023/2024FY, the University engaged in various activities beneficial to the community aimed at fostering sustainable development and improving the well-being of the society;

- a) Outreach at Naivasha Maximum Prison: A three-day psychological support to 4,350 prisoners on mental health well-being, self-awareness, catharsis and individual development.
- b) 10th Annual Health Week: Health talk seminars, free screening and health awareness to members of the community, staff and students on Breast, Cervical and Prostate Cancer, blood pressure, HIV/AIDS among others under the theme "Commit to combat non communicable Diseases".
- c) Conducted an awareness walk to create awareness to staff, students and the community on prevention of alcohol and drug abuse, HIV/AIDS, mental and suicidal issues, road safety, gender awareness and disability mainstreaming.

vi. Community Engagements

The University established partnerships with local and international organizations to engage in community based sustainability projects to address societal challenges while building brand awareness.



- a) Ol Moran Peace mission: Conducted a peace mission jointly with CoPAD-Kenya with the aim of ending the perennial conflict in the region, donated 200 tree seedlings and carried out civic education on national values and principles of governance at Ol Moran Comprehensive School.
- b) Outreach and extension services to farmers and SMEs in Rumuruti Town and Karuga Trading Centre in Laikipia County on Smart Climate Agriculture in conjunction with Breedtech and CIAT project teams.
- c) Financial literacy: Conducted sensitization to members of the community around the institution among them; Hostel Owners and SMEs Owners on Book keeping requirements and benefits, tax information reports from KRA and preparation of income and expenditure statements.



Laikipia University delegation, CoPAD team & Sub-County leadership during Ol Moran Peace Mission

REPORT OF THE COUNCIL

The University Council submits this report for the year ended 30th June, 2024 together with the audited financial statements for the year ended 30th June, 2023 that shows the state of Laikipia University's affairs.

a. Principal activities

The principal activities of Laikipia University continue to be teaching, training, innovation, research and outreach

b. Results for the Year

The results of Laikipia University for the year ended 30th June, 2024 are set out on pages 1-7.

c. Directors

The members of the University Council who served during the year are shown on page xii.

d. Auditors

The Auditor General is responsible for the statutory audit of Laikipia University in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended 30th June, 2024.

By Order of the University Council



Prof. Kibett Rotich, PhD

Vice Chancellor/Council Secretary

Date: 20/9/2024



STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES ON THE FINANCIAL STATEMENTS

Section 81 of the Public Finance Management Act, 2012 and the Universities Act, 2012, require Council to prepare financial statements in respect of the University, which give a true and fair view of the state of affairs at the end of the financial year and the operating results of the University for that year. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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.

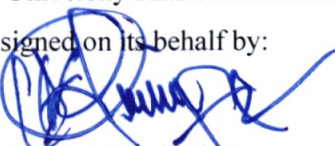
Laikipia University Council accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Universities Act 2012. The University Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the University as at 30th June, 2024 and of its operating results.

The Council further confirms the completeness of the accounting records maintained for the University which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Council has made an assessment of the University's ability to continue as a going concern and nothing has come to their attention to indicate that the University will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The University financial statements were approved by the University Council on 20th September 2024 and signed on its behalf by:


Dr. Lemein Korei, PhD.

CHAIRMAN OF COUNCIL


Prof. Kibett Rotich, Ph.D.

VICE CHANCELLOR



MANAGEMENT DISCUSSION AND ANALYSIS

Section A: Laikipia University's Operational and Financial Performance

Laikipia University is a body corporate established through the Laikipia University Charter of 19th February 2013. The University mandate is teaching, research and innovation. The University's main source of funds is students' fees and the Government through the Ministry of Education.

Laikipia University has a responsibility to nurture and transform for the world through education, research, training, consultancy, innovation, outreach and collaboration. The University's ongoing sustainability is dependent upon the generation of a sufficient surplus to invest in the maintenance, renewal and replacement of the infrastructure to support academic endeavor, such as libraries, tuition rooms, laboratories, ICT infrastructure and research equipment.

This section of the report therefore highlights our operational and financial performance in support of the core business of the University; Academic and Research. This overview provides some highlights of the University as follows;

1. Operational Highlights

The University is committed to achieving its core mandate of Nurturing and Transforming for the World by providing quality education and experience in line with Competency Based Curriculum (CBC) which equips students with the practical values, skills and intellectual discipline that will enable them to make a positive contribution to society. To support this noble course, the University budgeted a total of Kes. 1.37 billion in 2023/2024 FY which was later revised to Kes. 1.39 billion. Operational highlights for the year are as indicated below;

a) Human Capital

The University endeavor to attract, develop and retain competent staff to improve service delivery and increase productivity in serving her customers. Some of the major components of human capital during the year under review were as highlighted below;

i) Staff Statistics

At the close of period ended 30th June, 2024, the University had a robust, diverse and competent work force of 445 members of staff comprising of 6 members of University Management Board, 89 teaching staff and 350 non-teaching staff to help achieve her mandate. Staff cost was the highest expenditure at 77.7% of total expenditure for the period ended 30th June, 2024.

Staff Distribution by Category & Gender

Staff Category	Male	Female	Total
UMB	6	0	6
Teaching Staff	50	39	89
Non-Teaching Staff	209	141	350
Total	265	180	445

ii) Staff Welfare

The University during the year under review recruited ten (10) additional staff to enhance service delivery and trained a number of staff to increase productivity. To ensure smooth operation, the university properly remunerated staff and always paid their wages on time. University also trained a number of staff and sponsored a number to conferences, seminars and workshops. Additionally, the University ensured a healthy workforce by ensuring timely medical response and cover.

b) Students Enrolment

The University enrolled 2,871 first year students in various schools of which 2,603 were on Government Sponsored Students Programme (GSSP), 44 were on Privately-Sponsored Students Programme (PSSP) and 224 were TVET students during the period. The University total students' statistics for the year stood at 8,351 distributed across the four schools and TVET. Out of the total number of students, 4,326 were male while 4,025 were female. It is worth noting that the University is gender compliant with a gender ratio of 52:48.

2023/2024 Students' Statistics by School, Gender and Category

Gender Category	GSSP	PSSP	Male		Female		Total
			Sub-Total	GSSP	PSSP	Sub-Total	
1 School of Education	1890	34	1924	2048	33	2081	4,005
2 School of Business & Economics	327	14	341	217	5	222	563
3 School of Humanities & Development Studies	838	47	885	983	24	1007	1,892
4 School of Science & Applied Technology	930	4	934	334	1	335	1,269
5 TVET	0	242	242	0	380	380	622
Total	3985	341	4326	3582	443	4025	8,351

c) Academic Activities

During the year under review, the University purposed to improve academic services, teaching and learning experience through enhanced quality of teaching; increased teaching and learning efficiency and improved academic performance by undertaking the following activities:

i) University Graduation

During the year under review, the University held its 11th Graduation ceremony in December, 2023 at a cost of Kes 5,517,432. The ceremony witnessed the conferment of degrees and award of diplomas to 1,250 graduands out of which 625 were male and 625 were female giving a gender ratio of 50:50.



The University graduands statistics was as given below;

2023 Graduands Statistics per Category

Category	Male	Female	Total
1 Doctorate (PhD)	7	2	9
2 Masters	6	5	11
3 Bachelors	606	598	1204
4 Diploma	6	20	26
Total	625	625	1,250

2023 Graduands Statistics per School

School	Male	Female	Total
1 School of Education	266	418	684
2 School of Business & Economics	119	72	191
3 School of Humanities & Development Studies	97	86	183
4 School of Science & Applied Technology	143	49	192
Total	625	625	1,250

ii) Research, Innovation and Consultancy Activities

In the year under review, the University enhanced research and technology innovation, technology transfer and disseminating research findings/recommendations thus strengthening one of the University’s strategic pillars through the highlighted activities;

- ❖ The University demonstrated its commitment to global impact by participating in the 4th Biennial Conference by the Commission for University Education where it showcased her innovative research findings.
- ❖ Enhanced research grant proposal writing and consultancy services by having two successful research bids.
- ❖ The University showcased its innovations at the Africa Public Service Day Innovations Workshop at the Kenya School of Government, receiving recognition in Agriculture and Food Security category.
- ❖ The University held its 4th Research and Innovation Day, showcasing research and innovation projects aligned with the theme "Leveraging Research and Innovation Dividends for Sustainable Development." The event served as a platform to showcase and celebrate our collective achievements and explore new avenues for impactful research and innovation.
- ❖ The University also hosted a Research Grant Proposal Writing Workshop featuring a panel of research experts, which saw robust participation from the University academic and administrative staff.



- ❖ The University further disseminated research output by publishing 70 articles in peer reviewed journals.



Some of the participants showcasing their innovations and The CEO of the Kenya National Innovation Agency, Dr. Tonny Omwansa at the Research & Innovation Day.

iii) Quality of Education

In the year under review, Laikipia University increased the number of activities to enhance quality of education as outlined;

- ❖ Sensitized the University students on University Academic services, complaints and access to information handling mechanisms.
- ❖ The University conducted two (2) sensitization workshops on Competency Based Education and Training (CBET) requirements and retooled 60 University Lecturers to be CBET compliant in readiness for Competency Based Education.
- ❖ University also held three-day Competency-Based Curriculum (CBC) training for its lecturers in collaboration with The T3 Alliance Team. The training introduced CBC tools and processes, focusing on interactive and student-centered learning.
- ❖ The University Acquired 19 electronic book titles in the University Academic Programmes.

d) Institutional Quality Assurance and Standards

- During the year under review, the University underwent surveillance Audit by the Kenya Bureau of Standards (KEBS) to determine conformity to ISO Standards, level of implementation of requirements and adherence to legal and regulatory requirements.
- Conducted an audit on the implementation of University Policies and customer satisfaction surveys to identify the gaps in order improve quality assurance and standards.

e) Launch of 2023 – 2027 Strategic Plan

During the year under review, University launched its Strategic Plan for the next five (5) years in line with the government’s Bottom-Up Economic Transformation Agenda (BETA). The 2023-2027 Strategic Plan will define the strategic direction for the University and act as a guiding framework for decision making on mobilization and allocation of resources, community engagement and innovation, and thus giving students an opportunity to excel locally and internationally. The University remains focused and dedicated in implementing the six (6) key strategic issues identified in the plan as it was an important milestone in the University’s goal to achieving its vision and mission.



The event was graced by Ms. Julia Chepkieny, representing the Cabinet Secretary, Ministry of Education, Laikipia University Council Chairman Dr. Lemein Korei and members of the Council.

f) Student Welfare.

Laikipia University recognizes that our students’ education goes well beyond coursework, and by facilitating extracurricular student activities, through our student engagement programmes the University seek to foster student success and lifelong learning experience. The office of the Dean of Students, through the Laikipia University Students Association (LUSA) and University Clubs and Societies played an integral role in enhancing students’ welfare. The following activities improved the student’s welfare during the year under review;

- i) Games & Sports:** Laikipia University understands the importance of balancing the rigors of academics with other activities, and sport is an area the University has invested in. During the period under review, the University provided support for students to participate in nine (9) Kenya Universities Sports Association Tournaments at a cost of Kes. 1,214,000.
- ii) Clubs and Societies:** The clubs and societies give students an opportunity to interact, enhance personal development and serve the society. They include; Drama Club/ Laikipia Traveling Theater; President’s Award; Catholic Association; Agricultural Economics Club; Chama Cha

Wanafunzi Wa Kiswahili Vyuu Vikuu Afrika Mashariki (CHAWAKAMA); Christian Union; Computer Students Association; Economic Students Association of Laikipia University (ESALU); Environmental Science Club; among others. The University also hosted and participated at the Rift Valley Drama and Film Festivals, later representing the region in the 62nd Edition of Kenya Schools and Colleges National Drama and Film Festivals at Embu University.

iii) Financial Support to needy students: During the year under review, the University enhanced student financial support assistance programme through; award of Laikipia University Bursaries at a cost of Kes. 1,000,000.00; and placed needy students on Work Study Programme at a cost of Kes. 1,642,800.

iv) Enhanced Students Counseling Services: The University employed new Students Counselor to increase access to counseling services and also trained peer mentors on career guidance and life skills in order to be equipped with necessary skills and provide counseling services to their peers.

v) Promoted Cohesion and Diversity through culture and talent exposition.

The University sponsored Cultural and Innovation week event for the students from different communities to showcase their Innovative ideas, talents, and diverse cultural skits. The theme of the event was: "*Fostering National Cohesion, Diversity and sustainable Environment*".

g) Community Outreach and Mentorship Programmes

i) The University in partnership with Co-operation for Peace and Development (CoPAD-Kenya) held a peace mission at Ol Moran Comprehensive School that meant to enhance awareness on the need for peace and environmental conservation where 200 trees were planted and 200 tree seedlings donated to the neighborhood. Notably, underlying drivers of conflict and insecurity in the region were complex and interconnected. The University urged members of the community to embrace diversity and coexist as a people.

ii) During the year, the University held its 10th Annual Health Week that was attended by partners, students, staff and community at large. The theme for the year was "*Commit to combat Non-Communicable Diseases (NCDs)*". The staff, students and the Community benefited from Cancer screening services for Breast, Cervix and Prostate; Random Blood Sugar check; Blood pressure monitoring; BMI Assessment and Nutritional counseling; Sensitization on persons living with disability; HIV/AIDS counseling and testing; Physiotherapy; Eye checkups and Dental services; Ultra sound; Fertility services; Mental health education; NHIF sensitization and registration among others.





Highlights of the activities during the Health Week

- iii) The University hosted a mentorship forum for undergraduate students in the School of Business, facilitated by members of the Institute of Certified Public Accountants of Kenya (ICPAK) from the Central Rift Branch.
- iv) The University conducted a three-day psychological support service to 4,350 prisoners at the Naivasha Maximum Prison in June 2024. The topics covered included mental health well-being, self-awareness, catharsis and individual development. The training not only boosted the prisoner's self-esteem but also enhanced their sense of self-worth and contributed to enhancing human dignity.
- v) The University also sensitized members of the community around the institution among them; Hostel Owners and SMEs Owners on Book keeping requirements and benefits; tax information reports from KRA and preparation of income and expenditure statements.
- vi) Conducted an awareness walk to staff, students and the community to create awareness on prevention of ADA Abuse, HIV/AIDS, Mental and suicidal issues, road safety, gender awareness and disability mainstreaming.
- vii) The University also hosted the 2023 KIPPRA Mentorship Programme gathering multiple institutions and industry stakeholders to discuss public policy-making. Leading up to the event, the KIPPRA team engaged with participating students through a three-day pre-visit.
- viii) The University in liaison with Old Mutual Foundation and Faulu Bank organized a Financial Education and Career Mentorship Forum at the University, focusing on financial literacy and career guidance for students.
- ix) The University held Mental Health Awareness Week that culminated into Mental Health Sensitization Campaign Walk.

h) Collaborations and Partnership

During the year under review, the University entered into partnership with the three (3) new partners namely: Kenya Institute for Public Policy Research and Analysis (KIPPRA); Teach2give Organization and Teaching Through Technology (T3) Alliance.

i) Kenya Institute for Public Policy Research and Analysis (KIPPRA)

The signed partnership will focus on: Capacity Building, Mentorship Programme, Policy Research and Analysis, Technical and Advisory Services, Industrial Attachment and Internships, Networking, Research and Consultancy, Outreach and Collaboration.

ii) Teach2give Organization

The collaboration focused on training programmes to students and inform them of job opportunities; provision of professional training for software development; provision of curriculum and engage students with United State executives for tech talks, seminars and other related IT programs.

iii) Teaching Through Technology (T3) Alliance

The partnership, focused mainly on the following aspects: Capacity Building / Development; Conducting Workshops and Research / Project Funding. The two institutions shall also focus on cooperation and partnership in incorporation of Teaching Through Technology into the current University Curricula and foster the student-centered learning model also known as Competency Based Curriculum (CBC) as opposed to Knowledge Based Curriculum (KBC) through Design Thinking Process, Innovative Solutions for Young Leaders and Globalization of University Programmes.

i) Expansion and Upgrading of WI-FI and Local Area Network Coverage

The University has continued to expand internet connectivity (Local Area Network - LAN and WIFI) within the University compound. Hotspots points have also been continuously increased.



j) Key University Projects

During the year under review, the University invested a total of Kes. 36,753,783 to fund its key projects. The following capital projects were implemented;

i) Construction of Science Complex

The project will expand science and applied technology facilities. The University incurred a total expenditure of Kes. 10,041,201 during the year under review and a cumulative expenditure of Kes. 159,190,724 as at 30th June, 2024. Percentage completion was 53.5% for Phase II of the project.



On-going Construction of Science Complex

ii) Construction of Tuition Block

The continued increase in demand for higher education is as a result of the ever-growing numbers of students' transiting from secondary schools to the University hence the need to expand teaching and learning facilities.

The project was terminated in April, 2019 while at 67% to completion. The project was retendered and the works toward completion of the project commenced on March, 2022. The University incurred a total expenditure of Kes. 25,642,642 during the year under review and a cumulative expenditure of Kes. 493,802,609 as at 30th June, 2024



On-going Construction of Tuition Block A (Left) and B (Right)

i) Construction of Library and Administration Block

The University is ensuring completion of Library and Administration project to ensure that staff and students have adequate office spaces and teaching/learning facilities. Once complete shall ease congestion at the University Library and create conducive environment for work and learning. The University incurred a total expenditure of Kes. 909,800 during the year under review and a cumulative expenditure of Kes. 493,802,609 as at 30th June, 2024. The project is in the final stage of completion at 99.9%.



Ongoing construction of Library and Administration Block

k) Other Achievements;



During the period under review, the University also achieved the following;

- (a) The University reviewed all undergraduate programmes in the School of Education to be CBE compliant.
- (b) The University also developed 7 academic programmes awaiting accreditation by CUE.
- (c) The University installed cloud storage to enhance IT infrastructural capability.
- (d) The University also on boarded 10% of its services to the e-citizen platform to improve efficiency and service delivery.

2. Financial Highlights

Financial performance of Public Universities in Kenya still remain a challenge as often reported by Office of the Auditor General where a majority have been found to; be operating on negative working capital, excessive outstanding fees, uncontrolled capital expenditure, fraud among others.

Over the years, the increasing cost of providing university education has been accompanied by a widening funding gap. Additionally, public universities have been witnessing decreased self-sponsored student enrolment following reforms introduced by the Ministry of Education in 2016, wherein all students who scored C+ and above were admitted to universities under government sponsorship (Kenya National Bureau of Statistics, 2019). This was a big blow to public universities' revenue from self-sponsored student fees. It further widened the budget deficit and led to a financial crisis among universities.

Financial sustainability for Laikipia University has been an issue of concern owing to the increasing cost of providing higher education. Declining amounts of government grants and module II students' enrollment rate are critical challenges facing the University. The University has been operating on a negative working capital due to prior years accumulated deficits making it difficult for the University to meet its financial obligations as they fall due.

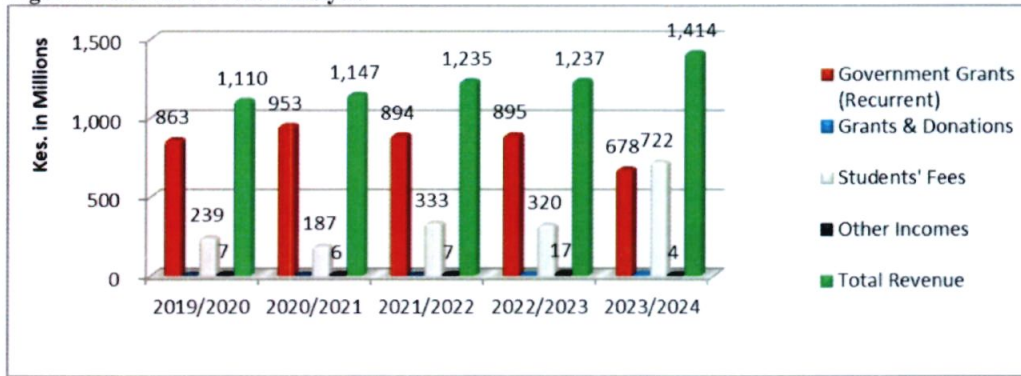
Financial Analysis

Financial analysis is the process of identifying the financial strengths and weaknesses of the firm by properly establishing relationships between the item of the balance sheet and the profit and loss account. Financial analysis involves the use of financial statements. Its purpose is to convey an understanding of some financial aspects of a business firm. Financial performance analysis includes analysis and interpretation of financial statements in such a way that it undertakes full diagnosis of the profitability and financial soundness of the business. Financial analysis results are important tools of decision making depending with the users of financial statement. Various stakeholders who include the government, suppliers, investors and management among others rely on financial performance analysis to make important decisions.

A trend analysis of University financial performance shows that the University revenue has grown over the last five year by 27% from Kes. 1.1 billion in 2019/2020 FY to Kes. 1.4 billion in 2023/2024 financial year. Due to policy shifts in financing higher education, government capitation is declining while students fees in increasing as a result of implementation of the new financing model in public universities.

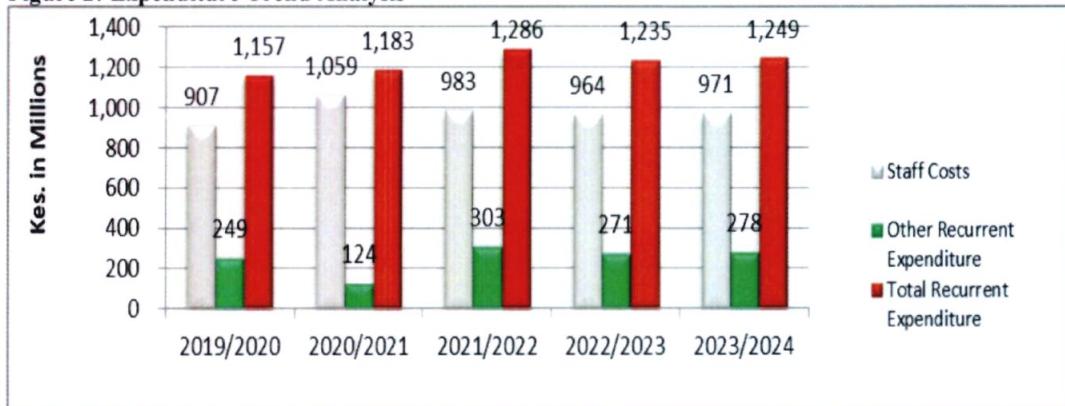


Figure 1: Revenue Trend Analysis



On the other hand, the University expenditure has also been rising over the years as a result of university growth and expansion. An analysis on financial performance shows that the university expenditure has increased by 8% over the last five years from Kes.1.16 billion in 2019/2020 to Kes. 1.25 billion in the 2023/2024 financial year.

Figure 2: Expenditure Trend Analysis



In addition, the University recorded huge deficits of Kes. 45.6 million and Kes. 140.3 million in 2019/2020 and 2020/2021 financial years respectively. During the period under review, the University registered a cumulative surplus of Kes. 158,841,473 for the year ended 30th June, 2024 compared to Kes. 8,138,386 in similar period ended 30th June, 2023 resulting to an improvement by 1851.8%. Reserves also increased by 9.2% from Kes. 2.1 billion in 2022/2023 to Kes. 2.3 billion in 2023/2024 FY. The total assets of the institution grew by 3.6% compared to results of last financial year ended 30th June 2023. The management of cash-flows and our budget remains a critical component of the Finance Committee and the Finance Department if the University is to remain solvent in these turbulent times. There were few infrastructure projects including the science complex and Tuition block among other capital projects during the year.

Detailed analysis of the 2023/2024 FY with comparative analysis for the past five years are as follows;

Five Years Statement of Financial Performance

REVENUE	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
	(30.06.2024)	(30.06.2023)	(30.06.2022)	(30.06.2021)	(30.06.2020)
	Kes.	Kes.	Kes.	Kes.	Kes.
Revenue from Non-exchange Transactions					
Government Grants (Recurrent)	677,860,351	894,695,904	893,749,307	953,402,997	863,236,998
Grants & Donations	9,753,565	5,693,229	837,780	40,000	118,617
	687,613,916	900,389,133	894,587,087	953,442,997	863,355,615
Revenue from Exchange Transactions					
Students' Fees	722,073,659	319,625,060	333,349,073	187,479,717	239,252,345
Other Incomes	4,082,091	17,338,422	6,601,237	6,310,697	7,352,420
	726,155,749	336,963,482	339,950,310	193,790,414	246,604,765
Total Revenue	1,413,769,665	1,237,352,615	1,234,537,397	1,147,233,411	1,109,960,380
EXPENDITURE					
Staff Costs	970,584,324	964,139,821	983,360,407	1,058,791,260	907,330,144
Administrative Expenses	94,377,974	85,922,807	69,578,551	50,407,603	65,062,522
Repairs & Maintenance Expenses	11,273,031	6,560,739	8,506,247	7,939,245	8,281,891
Contracted Services	11,869,632	7,101,926	3,999,537	5,311,163	3,136,442
Academic & Research Expenses	98,995,099	102,754,404	91,607,101	113,316,980	118,445,906
Students Welfare	10,193,863	8,958,304	7,846,197	4,819,224	8,740,078
Council Expenses	12,192,092	10,938,033	11,785,134	9,505,033	11,478,799
Finance Charge	0	0	0	0	0
Depreciation	32,645,292	48,329,609	43,778,557	37,487,318	34,782,057
Provision for Bad Debts	6,519,223	535,374	(881,333)	(1,121,933)	(739,826)
Loss on Disposal/De-recognition	8,100	24,450	1,979,600	0	0
Total	1,248,658,629	1,235,265,467	1,221,559,998	1,286,455,893	1,156,518,012
Operating Surplus/(Deficit)	165,111,036	2,087,148	12,977,398	(139,222,482)	(46,557,632)
Other Service Units					
Farm Surplus/(Deficit)	(6,496,376)	4,721,592	(3,777,952)	(1,186,753)	11,666
Catering Surplus/(Deficit)	(8,341)	1,050,087	(991,207)	(127,034)	923,607
Bookshop Surplus/(Deficit)	234,974	279,560	413,390	191,652	0
Total Surplus/(Deficit)- Other Service Units	(6,269,743)	6,051,238	(4,355,770)	(1,122,136)	935,273
Total Surplus/(Deficit)	158,841,293	8,138,386	8,621,628	(140,344,618)	(45,622,359)

Five Years Statement of Financial Position

DETAILS	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
	(30.06.2024)	(30.06.2023)	(30.06.2022)	(30.06.2021)	(30.06.2020)
ASSETS	Kes.	Kes.	Kes.	Kes.	Kes.
Current Assets					
Cash & Cash Equivalents	66,393,714	90,175,164	102,782,903	42,263,023	38,604,328
Receivables from Exchange Transactions	240,656,409	181,983,404	177,165,038	185,097,033	195,194,426
Receivables from Non-exchange Transactions	56,488,363	11,688,825	0	0	0
Inventories	16,088,513	15,671,678	15,077,444	17,019,907	19,392,081
Total Current Assets	379,626,999	299,519,070	295,025,385	244,379,964	253,190,835
Non- Current Assets					
Property, Plant and Equipment	2,313,950,886	2,294,765,068	2,216,372,567	2,119,595,133	2,093,677,951
Library Books	2,688,468	3,189,419	5,566,490	7,050,166	7,623,994
Intangible Assets (ERP Software)	24,510,660	29,693,140	34,525,620	30,406,820	28,502,460
Biological Assets	4,072,593	3,804,600	6,920,326	6,640,000	5,391,000
Total Non- Current Assets	2,345,222,607	2,331,452,227	2,263,385,002	2,163,692,120	2,135,195,405
Total Assets	2,724,849,606	2,630,971,297	2,558,410,387	2,408,072,083	2,388,386,240
LIABILITIES					
Current Liabilities					
Overdrawn Cashbooks	0	0	0	0	1,624,468
Accounts Payables	434,726,200	533,782,434	497,747,009	519,346,661	388,395,325
Total Current Liabilities	434,726,200	533,782,434	497,747,009	519,346,661	390,019,793
Non-Current Liabilities					
Long Term Liabilities	0	0	0	0	0
Total Non- Current Liabilities	0	0	0	0	0
Total Liabilities	434,726,200	533,782,434	497,747,009	519,346,661	390,019,793
NET ASSETS	<u>2,290,123,406</u>	<u>2,097,188,863</u>	<u>2,060,663,378</u>	<u>1,888,725,422</u>	<u>1,998,366,447</u>
Financed By:					
Capital Reserve	1,867,162,482	1,860,441,989	1,832,054,890	1,667,834,564	1,637,130,971
Revenue Reserves (Surplus/(Deficit))	(57,658,157)	(260,695,749)	(285,657,677)	(310,198,850)	(186,677,774)
Revaluation Reserve (Unrealized Gain)	480,619,082	497,442,624	514,266,166	531,089,708	547,913,250
Total	<u>2,290,123,406</u>	<u>2,097,188,863</u>	<u>2,060,663,378</u>	<u>1,888,725,422</u>	<u>1,998,366,447</u>



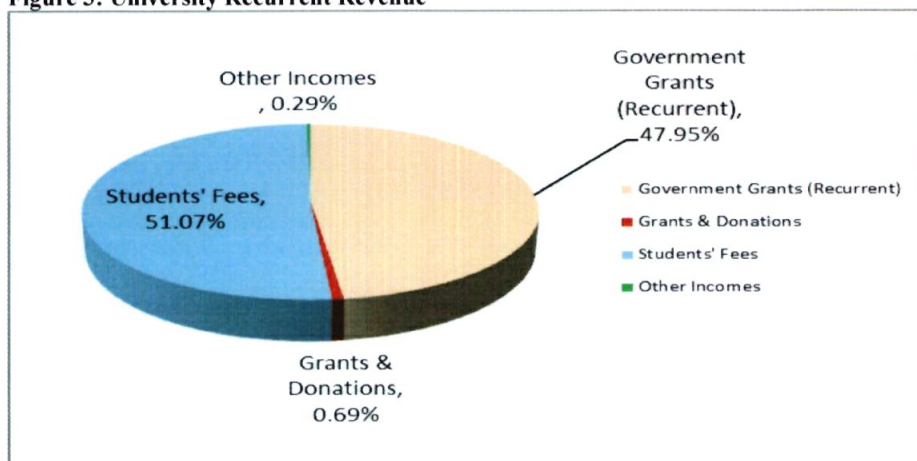
(a) Statement of Financial Performance Analysis

Statement of financial performance focuses on how much revenue was earned by the business in a given period. The Statement list the total amount of revenue generated by the business for the period minus the expenses incurred during the period.

i) Revenue Analysis

Revenue is the amount received or receivable within the accounting period from the sale of a firm’s goods or services. During the period under review, the University reported total revenue of Kes. 1,413,769,665 for period ended 30th June 2024 compared to Kes. 1,234,537,397 for similar period ended 30th June 2023 in 2022/2023 financial year. Total Revenue for current period was composed of recurrent government grants at Kes. 677,860,351, grants & donations at Kes. 9,753,565, students’ fees at Kes. 722,073,659 and other income at Kes. 4,082,091. Students fees were the highest contributor of revenue at 51.07% of the total revenue. Revenue composition percentages are as highlighted in the diagram below;

Figure 3: University Recurrent Revenue



A comparison of the current period ended 30th June 2024 with similar period ended 30th June 2023 indicates an overall increase in total revenue by 14.3%. Government grants decreased by 24.2% to Kes. 677.9 million from Kes. 894.7 million in a similar period for 2022/23. Students’ fees had the highest increase by 125.9% to Kes. 722.1 million from Kes. 319.6 million in similar period last financial Year 2022/2023 as a result of implementation of the new funding model. Grants & Donations increased by 71.3% from Kes. 5,693,229 to Kes. 9,753,565 in the current 2023/2024 financial year. Other incomes decreased by 76.5% compared to a similar period of 2022/2023. Revenue comparisons for the two periods are highlighted as follows;

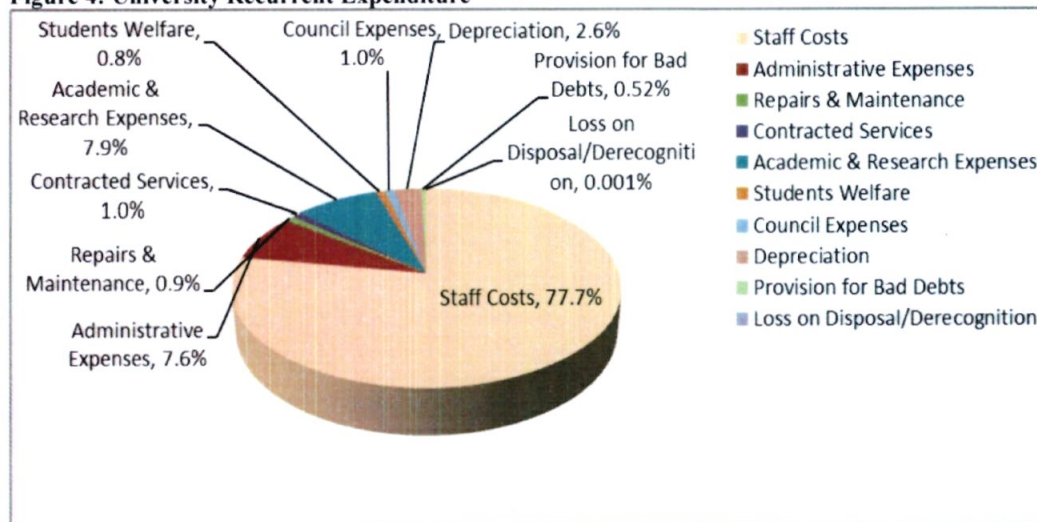
Revenue Comparison

Revenue Category	2023/2024	2022/2023	% Change
	(30.06.2024)	(30.06.2023)	
	Kes.	Kes.	%
Government Grants (Recurrent)	677,860,351	894,695,904	-24.2%
Grants & Donations	9,753,565	5,693,229	71.3%
Students' Fees	722,073,659	319,625,060	125.9%
Other Incomes	4,082,091	17,338,422	-76.5%
Total Revenue	1,413,769,665	1,237,352,615	14.3%

ii) Expenditure Analysis

Expenditure is the amount paid or payable within an accounting period. During the period under review, the University incurred a total expenditure of Kes. 1,248,658,449 at the close of the period ended 30th June 2024. Staff cost had the highest expenditure of Kes. 970,584,324 translating to 77.7% of the total recurrent expenditure. Academic and research expenses took Kes. 99 million (7.9%) while administrative expenses took Kes. 94.4 million (7.6%) of the total expenditure. Depreciation on Property, Plant and Equipment (PPE) was Kes. 32.6 million translating to 2.6% of the total expenditure. The University did not incur any expenditure on finance charge as there was no long term liability to incur loan interests. Council expenditure for the period ended 30th June 2024 was Kes. 12.2 million translating to 1% of the total expenditure. Provision for bad & doubtful debts increased by Kes. 6.5 million (0.52%) during the period as a result of increase in receivables. The total recurrent expenditure is as highlighted in the following diagram;

Figure 4: University Recurrent Expenditure



A comparison of recurrent expenditure for the period ended 30th June 2024 with similar period for 2022/2023 FY indicates an overall increase in total expenditure by 1.1%. Staff costs increased by 0.7% from Kes. 964.1 million in the period ended 30th June 2023 to Kes. 970.6 million for the period ended 30th June 2024. Administrative expenses increased by 9.8% with major changes in electricity expenses which increased by Kes. 7 million from Kes. 15 million in 2022/2023 financial



year to Kes. 22 million in the 2023/2024 financial year. In addition transport operating expenses also increased by Kes. 2.3 million as a result in fluctuations on fuel costs during the period. Repairs and maintenance expenses increased by 71.8% from Kes. 6.56 million in 2022/2023 FY to Kes. 11.27 million in the 2023/2024 FY with major changes recorded under general repairs on buildings, at Kes. 4.1 million from Kes. 3.7 million in 2022/2023 FY to Kes. 7.8 million in the 2023/2024 FY. Bulk of repairs and maintenance expenses was incurred in renovation of students' hostels in the 2023/2024 FY. Academic & research expenses decreased by 3.7% from Kes. 102.8 million in 2022/2023 financial year to Kes. 99.0 million in the current financial year 2023/2024. Contracted services increased by 67.1 % due to expansion of scope on outsourced cleaning services. Council expenses increased by 11.5% from Kes. 10.94 million to Kes. 12.19 million while provision for bad and doubtful debts increased by 1117.7% as a result of increase in receivables from Kes. 202.2 million in 2022/2023 FY to Kes. 267.4 million in 2023/2024 FY thereby increasing the provision from Kes. 0.5 million to Kes. 6.5 million during the period under review. Comparison of recurrent expenditure for similar periods of the two financial years is highlighted as follows;

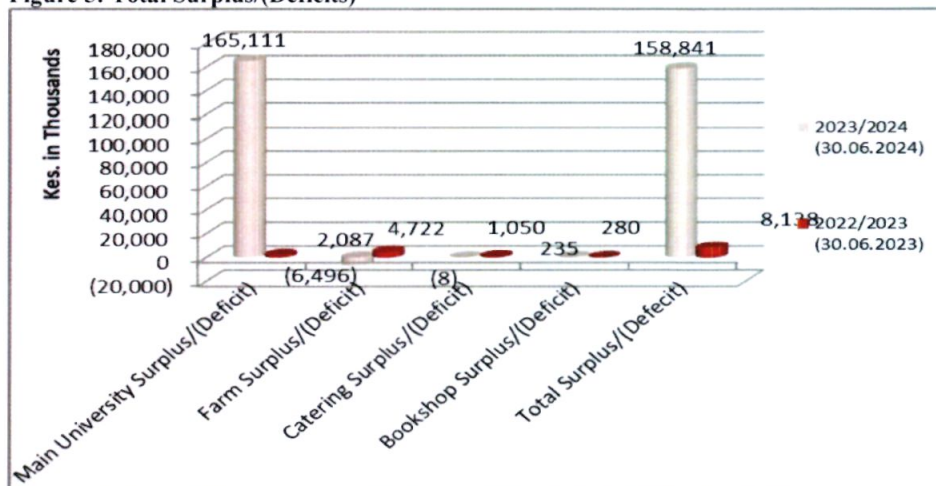
Recurrent Expenditure Comparison

Expenditure Category	2023/2024	2022/2023	Percentage Change
	(30.06.2024)	(30.06.2023)	
	Kes.	Kes.	%
Staff Costs	970,584,324	964,139,821	0.7%
Administrative Expenses	94,377,974	85,922,807	9.8%
Repairs & Maintenance	11,273,031	6,560,739	71.8%
Contracted Services	11,869,632	7,101,926	67.1%
Academic & Research Expenses	98,995,099	102,754,404	-3.7%
Students Welfare	10,193,863	8,958,304	13.8%
Council Expenses	12,192,092	10,938,033	11.5%
Finance Charge	0	0	0.0%
Depreciation	32,645,292	48,329,609	0.0%
Provision for Bad Debts	6,519,223	535,374	1117.7%
Loss on Disposal/De-recognition	8,100	24,450	-66.9%
Total	1,248,658,629	1,235,265,467	1.1%

iii) University Surplus/(Deficit)

The University reported a cumulative surplus of Kes. 158,841,293 for the period ended 30th June 2024 compared to Kes. 8,138,386 in the period ended 30th June 2023. Included in total surplus for 2023/2024 FY is Kes. 165,111,036 from University operations, deficits of Kes. 6,496,376 and Kes. 8,341, from Farm and Catering operations respectively and surplus from Bookshop operations of Kes. 234,974 This is as highlighted in the figure below;

Figure 5: Total Surplus/(Deficits)



(b) Statement of Financial Position

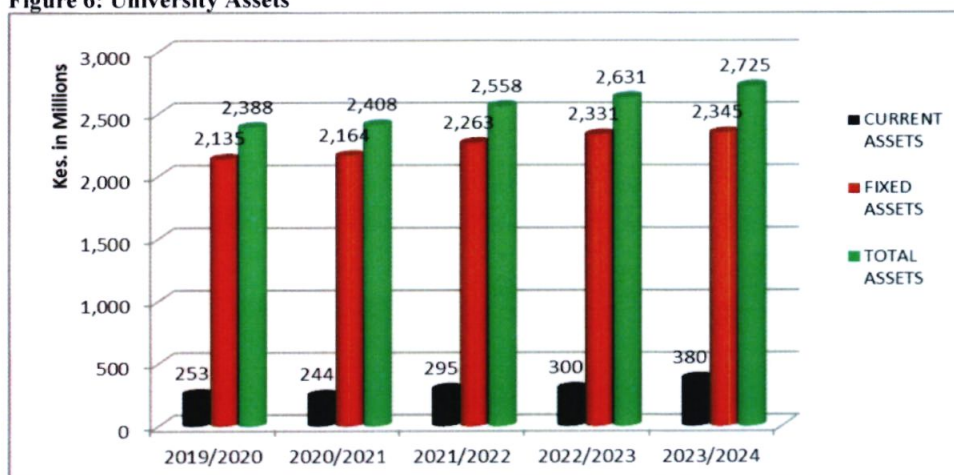
The statement of financial position provides a snapshot of a company’s value or worth as at the time at which it is produced. The statement indicates the financial condition of a firm at a specific point of time. It contains information about the firm’s: assets, liabilities and equity.

An analysis of the statement of financial position for the past 5 years shows that the University Net Assets have grown by approximately 15% from Kes. 2.0 billion in 2019/2020 to Kes. 2.3 billion as at 30th June 2024. An analysis of Financial Position items is as follows;

i) University Assets Analysis

In order to achieve the objective of improving teaching and learning, the University has invested heavily in physical facilities. This is shown by consistent increase in total asset from Kes. 2.39 billion in 2019/20 fiscal year to Kes. 2.72 billion as at 30th June 2024 in 2023/2024 fiscal year. This represents 14% growth since 2019/20 FY. Assets trend is as shown below;

Figure 6: University Assets

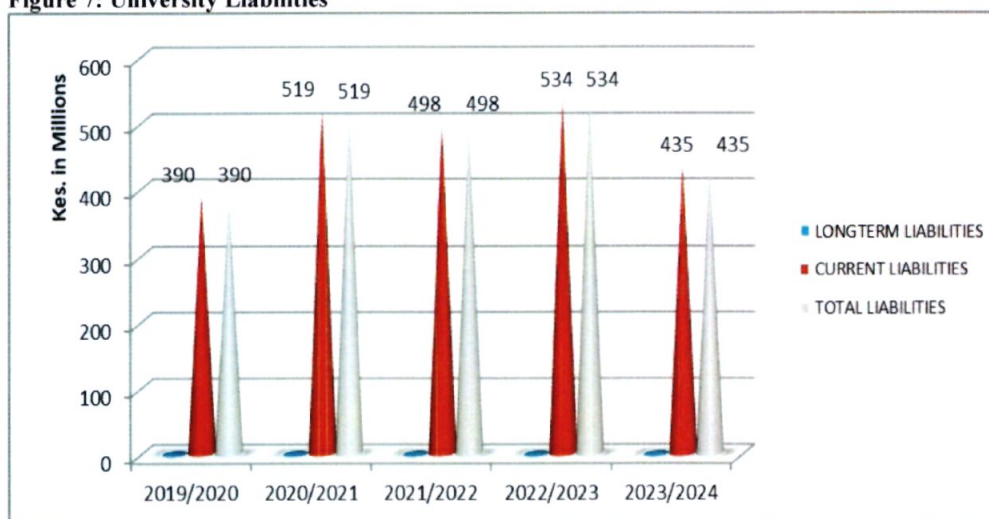


ii) University Liabilities Analysis

A liability is a quantity of value that a financial entity owes. It is value that an entity is expected to deliver in the future to satisfy a present obligation arising from past events. The value delivered to settle a liability may be in the form of assets transferred or services performed.

During the period under review, the university recorded total liabilities amounting to Kes. 435 million at the close of financial period ended 30th June 2024. Cumulatively, University liabilities have increased by 11.5% since 2019/2020 FY. The increase in liabilities was due to shortage of funds to meet financial obligations due to prior period deficits. Trend analysis on University liabilities is as indicated in the following figure;

Figure 7: University Liabilities



iii) Ratio Analysis

Ratio analysis is the analysis of balance sheet items to interpret a company’s results on a quantitative basis. It is a valuable metric that gives the management and stakeholders important insight into the financial health of the organization. They help to decide whether the company meets some important criteria like liquidity, solvency and efficiency among others.

Liquidity Ratio

An analysis of university financials ratios indicates weak liquidity for the period ended 30th June 2024 of the 2023/2024 financial year. An ideal position should have a liquidity ratio of 2:1 and a quick ratio of 1:1. Due to the weak liquidity ratios, the University is not able to meet its financial obligations as they fall due. Currently, the University is able to meet 84% of its financial obligations compared to 53% at the close of the period ended 30th June 2023 as indicated by the quick ratio. The inability of the University current assets to fully cover its current liabilities has led to a high level of payables to suppliers of goods & services and part-time teaching costs. Ratio analysis is as shown below;

Balance Sheet Ratio Analysis

Item	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
Assets	Kes.	Kes.
Current Assets (CA)	379,626,999	299,519,070
Fixed Assets (FA)	2,345,222,607	2,331,452,227
Total Assets	2,724,849,606	2,630,971,297
Liabilities		
Current Liabilities (CL)	434,726,200	533,782,434
Long-term Liabilities	0	0
Total Liabilities	434,726,200	533,782,434
Inventory	16,088,513	15,671,678
Liquidity Ratio (CA/CL)	0.87	0.56
Quick Ratio (CA- Inventory)/CL))	0.84	0.53

Working Capital

Working capital, also called net working capital (NWC), is the difference between a company’s current assets and current liabilities. It measures a company’s liquidity and short-term financial health, indicating the ability to fund operations and respond to financial stress or opportunities. During the period under review, the University recorded a negative working capital of Kes. 55 million compared to Kes. 234 million in the 2022/2023 FY.

Gearing (Debt-Equity) Ratio.

This ratio highlights how a company’s capital structure is tilted either toward debt or equity financing. During the period under review, the University recorded a gearing ratio of 19% compared to 25% in 2022/2023 FY. This implies that for every shilling in equity, the University has 19 cents in leverage. A ratio of one (1) would imply that creditors and investors are on equal footing in the company’s assets. Computation of University gearing ratio is as indicated below;

	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
Gearing Ratio		
Total Debts	434,726,200	533,782,434
Total Equity/Reserves	2,290,123,586	2,097,188,863
Gearing Ratio	19%	25%



(c) Statement of Cash Flow

A statement of cash flow depicts a company's sources and uses of funds in an accounting period. The statement shows reconciliation between the opening and closing cash balances. There are three components of cash flow classified as cash generated from operations, investing and financing activities.

The University recorded a decrease in Cash & Cash Equivalents decreased of 26% from Kes. 90.2 million in 2022/2023 FY to Kes. 66.4 million in 2023/2024 FY. Movement in cash flows for the current period indicated net changes of Kes. (23.78) million in cash and cash equivalents compared to Kes. (12.61) million at the close of financial year ended 30th June 2023.

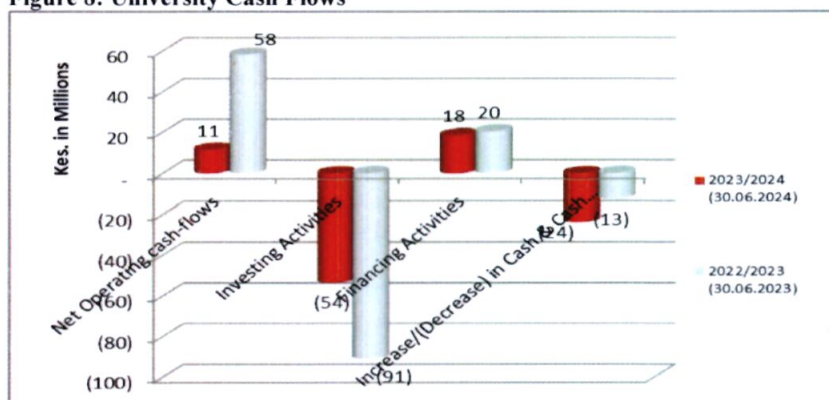
The University generated net cash inflows from operations of Kes. 11.38 million during the period ended 30th June, 2024 compared to Kes. 58.22 million in similar period ended 30th June 2023. The net cash flow from operation was a result of receipts and payments during the period. The University received a total of Kes. 1,355,767,210 from various sources of funds during the 2023/2024 FY. included in this was receipt of Kes. 621 million from the Government through the Ministry of Education, Students fees received at Kes. 259 million. Also included in this was money received from Higher Education Loans Board and Universities fund at Kes. 175 million and Kes. 222 million to service students fees during the year. The received money was used to pay for various university expenses at Kes. 1,344,388,725 out-of-which staff costs utilized Kes. 1.01 billion, administrative expenses used Kes. 99 million while academic and research expenses utilized Kes. 152 million among other university expenses.

On investing activities, the University used Kes. 53.6 million during the 2023/2024 FY compared to Kes. 91.1 million in similar period of 2022/2023 FY. The current investing expenditure included payment to contractors for the ongoing capital projects at Kes. 41.2 million and payment for purchase of plant and equipment at Kes. 10.1 million during the period.

On financing cash-flows, the University received Kes. 18.4 million from the National Government through the Ministry of Education to finance the ongoing capital projects. This comprised of Kes. 6.7 million for 2023/2024 financial year and accruing balance from 2022/2023 FY received in the current financial year.

The cash flow results are presented graphically as shown in the following figure;

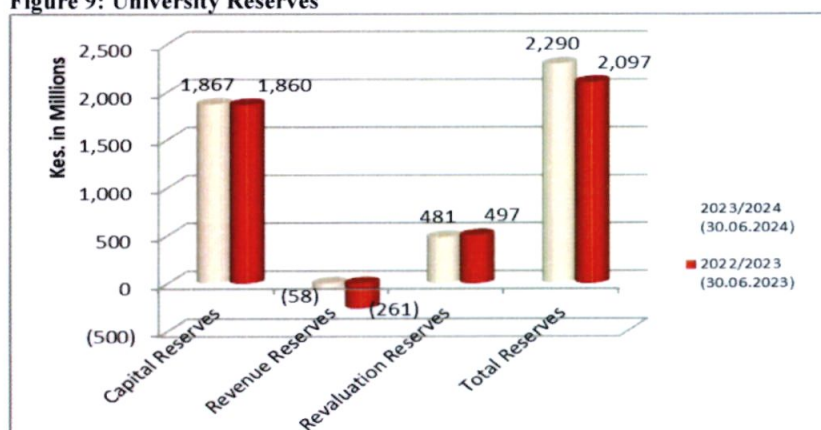
Figure 8: University Cash Flows



(d) Statement of Changes in Reserves

Laikipia University maintains three types of reserves, i.e. capital, revenue and revaluation reserves. The total reserves as at 30th June, 2024 were Kes. 2.3 billion compared to Kes. 2.1 billion at the close of 2022/2023 financial year. Total Reserves comprised of capital reserves at Kes. 1,867,162,482, revenue reserve at Kes. (57,657,977) and revaluation reserve at Kes. 480,619,082. Revaluation reserve is amortized annually by transferring excess depreciation on revaluation through revenue reserve at Kes. 16,823,542. An analysis of University reserves for period ended 30th June, 2024 was as indicated below;

Figure 9: University Reserves



Section B: Compliance with Statutory Requirements

Section 82 of the Public Finance Management Act, 2012, requires that an Accounting Officer for a National Government owned Entity to prepare annual report of the financial year in respect of the entity. Laikipia University complies with this statutory requirement on submission of reports to the Ministry of Education, the National Treasury & Planning and Office of the Auditor General.

The University financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) accrual basis.

Section C: Key Projects and Investment Decisions

The on-going development projects at the University are Tuition Block, Science Laboratories Complex and Library & Administration Block among others.

Section D: Major Risks Facing Laikipia University

The outlook for risks related to Universities indicates that risks will continue to increase in type and number in the coming years. The University continuously monitors high-risk areas and implements a programme of activities to mitigate risks and cushion their impact through a holistic approach that builds risk management into its structures and processes with a framework comprising governance, a defined risk appetite and an underlying policy and control environment.

The University's activities expose it to a variety of risks, which include credit risk, liquidity risk, compliance risk and commodity price risk among others.

Section E: Material Arrears in Statutory/Financial Obligations

Pending bills at the close of financial year ended 30th June, 2024, amounted to Kes. 434,726,200. This includes part time Lecturers payable at Kes. 88.9 million, trade payables at Kes. 34.1 million, Contractors' retention money at Kes. 110.9 million and accrued salary deductions for the month of June 2024 amounting to Kes. 50.1 million that had not been paid at the close of 2023/2024 financial year. The University is committed to clearing pending bills but its affected by shortage of funds.

Section F: Financial Probity and Serious Governance Issues

The University has no financial probity and governance issues.



REPUBLIC OF KENYA

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



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

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

PREAMBLE

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

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

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

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

Report of the Auditor-General on Laikipia University for the year ended 30 June, 2024

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Laikipia University set out on pages 1 to 52, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in reserves, 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 effects 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 Laikipia University as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis)] and comply with the Universities Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Land Ownership

As previously reported, the statement of financial position and Note 27 to the financial statements disclosed property, plant and equipment amounting Kshs.2,313,950,886. Included is Kshs.611,088,000 related to land owned by the University out of which an amount of Kshs.547,088,000 represents the value of eighteen (18) parcels of land measuring a total of 375.88 hectares. However, sixteen (16) of these parcels of land are still registered in the name of Egerton University. Management did not provide title deeds for the parcels of land thus casting doubt on the ownership of the parcels of land and their recognition as assets of the University.

In the circumstances, the accuracy and completeness of value of land balance of Kshs.611,088,000 could not be confirmed.

2. Long Outstanding Student Fees Balances

The statement of financial position and as disclosed in Note 25 to the financial statements reflects receivables from exchange transactions balance of Kshs.297,144,772. Included in the amount is student fee balance of kshs.191,429,469 as at 30 June 2024. Analysis of student debtors account provided for audit review revealed that the University had a fees receivable balance as shown below:

	Description	Amount (Kshs.)
1	Fee arrears for current year-2024	77,827,765
2	Fee arrears for the previous year	7,849,695
3	Fee arrears for over three years	100,168,100
	Total Fee Arrears.	191,429,469

The University did not provide a list for fee arrears and aging analysis to support fee arrears. In addition, audit could not determine the status of the students whether they were continuing, dropped out or students who had already completed their studies. It was therefore noted that the recoverability of school fees arrears for over three years is doubtful and management has not put measures in place to enhance their recovery.

In the circumstances, the accuracy and collectability of Kshs.191,429,469 in respect of receivables from exchange transactions could not be confirmed.

3. Long Outstanding Receivables

As previously reported, the statement of financial position and as disclosed in Note 25 to the financial statements reflects receivables from exchange transactions balance of Kshs.297,144,772. Included in the balance is long outstanding receivables totaling Kshs.65,449,305 which has been outstanding for more than seven years with some related to closed campuses of the University.

Similarly, included in the receivables is an amount of Kshs.4,644,784 related to deposits and prepayments. Analysis of the deposits and prepayments revealed that the University had paid deposits amounting to Kshs.2,035,180 to three (3) service providers which remained outstanding as at 30 June, 2024. No explanation was given as to why the deposits remained outstanding despite the fact that the campuses were closed down and the University no longer rents the premises.

Further, an amount of Kshs.1,012,000 was paid to a local petrol station as deposit for supply of fuel to the university. The amount was not supported by any service level agreement as there was no contract agreement between the University and the petrol station. The audit could not determine how the parties came to agreement of the deposit amount without a contract.

In the circumstances, the accuracy and recoverability of receivables from closed down campuses and deposits of Kshs.65,892,658 and Kshs.3,047,180 respectively could not be confirmed.

4. Delay in Completion of Projects

As previously reported, the statement of financial position and Note 27 to the financial statements disclosed property, plant and equipment amounting to Kshs. 2,313,950,886. Included in the balance is Kshs.611,088,000 related to work-in-progress amounting to Kshs.1,153,481,840 out of which projects worth Kshs.685,032,302 which had exceeded their completion deadlines. They include the Gate project, due in December 2016, was at 98% completion rate as at audit time and had been fully paid at Kshs.31,129,169.

In addition, Science Complex Building whose cumulative payments amounted to Kshs.159,190,724 was at 87% complete and was supposed to have been completed in June 2022. Further, the Tuition Blocks whose cumulative payments were Kshs.493,802,609 was 84% complete but was supposed to be completed in June, 2018

In the circumstances, the integrity, validity, and accountability of the expenditure on of the Kshs.685,032,302 work in progress could not be confirmed.

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

Emphasis of Matter

1. Budgetary Controls and Performance

During the year under review, the Management over spent and under spent in the following components against the approved budget;

Component	Approved Budget (Kshs.)	Actual Expenditure (Kshs.)	Variance (Kshs.)	Remarks
Repairs and maintenance expenses	10,850,000	11,273,031	(423,031)	Over expenditure
Contracted Services	10,944,266	11,869,632	(925,366)	Over expenditure
Student welfare	9,650,000	10,193,863	(543,863)	Over expenditure
Provision for bad debts	4,000,000	6,519,223	(2,519,223)	Over expenditure
Academic and research expenses	105,776,649	98,995,099	6,781,550	Under expenditure
Council expenses	14,500,000	12,192,092	2,307,908	Under expenditure

In the circumstances, Management did not adhere to the approved budget.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unsustainable Expenditure on Employee Cost

As previously reported, review of the statement of financial performance revealed that the management spent Kshs.970,584,324 on employee costs that constitutes 69% of the total revenue of Kshs.1,413,769,665 contrary to Section 26(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which puts a cap at 35% of the total receipts.

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

2. Long Outstanding Payables

The Statement of Financial Position and Note 31(i) reflects an accounts payable balance of Kshs.434,726,200. Included in this balance is an amount of Kshs.221,666,878 that has been outstanding for over one year, as detailed below:

Details	Amount (Kshs.)
Trade payables	15,276,950
contractors -capital projects	104,099,090
Part teaching costs	82,696,828
HELB	813,337
KRA taxes (VAT and other taxes)	10,891,254
Accrued CBA Allowances	7,889,420
Total	221,666,878

Further, issues were noted from the review of supporting documentation, as follows:

- I. Review of supporting documentation for KRA payables identified outstanding amounts, including income tax deductions of Kshs.10,805,945 that have remained unpaid for over two years, despite being previously deducted.
- II. Accrued Liabilities from Collective Bargaining Agreement totalling Kshs.7,889,420 were awarded for the period 2017-2021. This amount is owed to former university staff members, some of whom have exited the institution or are deceased. Management has not made efforts to reach out and settle these dues with former employees or their beneficiaries.

- III. An amount of Kshs.9,325,026, which has been outstanding for an extended period, is included in trade payables. Management indicated that no proper supporting documentation exists to process these payments, as they are of historical origin.

In the circumstances, Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

3. Irregular Payment of Allowances

The statement of financial performance and Note 10 to the financial statements reflects staff costs of Kshs.970,584,324. During the year under review, it was observed that responsibility and entertainment allowances disbursed to senior management personnel did not receive approval from the Salaries and Remuneration Commission (SRC) of Kenya as required by regulations and were neither included in Collective bargaining agreements for the university. The allowance is not among those approved by Salaries and Remuneration Commission (SRC) as staff entitlements. This is contrary to Article 230 of the Constitution of Kenya 2010 that gives the SRC the power to set remuneration and benefits to National and county Government Public officers.

Further, it was also noted that several employees received different rates of the allowances despite being within the same job grades.

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

4. Over Commitment of Salaries

The statement of financial performance and Note 10 to the financial statements reflects staff costs of Kshs.970,584,324. A review of the University's payroll for financial year under review revealed that seven (7) drew salary falling below a third of their basic salary contrary to Section 19(3) of the Employment Act, 2007 that requires that the total amount of all the deductions made by the employer from the wages of his employee at any one time shall not exceed two thirds of such wages. See details below:

PF NO.	BASIC SALARY (Kshs.)	Net (Kshs.)	1/3 Basic (Kshs.)	Variance between net and 1/3 basic(kshs.)
60584	250,668	74,044	83,556	-9,511
60347	82,552	19,436	27,517	-8,080
60682	58,077	11,346	19,359	-8,012
60400	34,605	4,366	11,535	-7,168
21356	250,668	77,235	83,556	-6,320
70018	54,423	13,301	18,141	-4,839
60577	184,318	57,199	61,439	-4,240

In the circumstances, management was in breach of the law

5. Non-Compliance of Ethnic Distribution Requirement

The statement of financial performance and Note 10 to the financial statements reflects staff costs of Kshs.970,584,324. Review of human resource records provided revealed

that the University has a staff workforce of four hundred and forty-five (445), out of which six (6) fall in top management. A review of the ethnic distribution of staff within top management and other levels revealed that there are dominant tribes within the levels. This is contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008 which stipulates that no public establishment shall have more than one third of its staff from the same ethnic community.

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

6. Irregular Management of Temporary Imprest

Review of the imprest register maintained by the Laikipia University revealed that staff members were issued with temporally imprest amounting to Kshs.4,973,670 as at 30 June 2024. It was however observed that staff members were not issued with imprest warrants with the specified purpose of the imprest indicated contrary to regulations 93(1) of Public Finance Management (National Governments) Regulations, 2015 that require imprest warrants.

Further the dates of surrendering were not indicated in the imprest register thus not possible to confirm imprest was surrendered within 7 working days after returning to duty station contrary to regulations 93(5) of Public Finance Management (National Governments) Regulations, 2015.

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

7. Irregular Management of Standing Imprests

Review payment vouchers provided for audit showed that standing imprests amounting to Kshs.1,473,030 were issued for office operations in various departments. However, the imprests were issued for office operations without controls as there were no authorized floats holders and approved float limit contrary to Regulation 91(12) of the Public Finance Management (National Governments) Regulations, 2015 which states that standing imprest shall involve personal responsibility as it shall be issued to an officer in his or her own name, and not to the holder of an office.

In addition, the holders of the office standing imprest did not maintain a detailed memorandum cash book for accountability purposes which is contrary to the Public Finance Management Regulations, 2015, Regulations 93(14) and (15) that require maintenance of a memorandum cashbook.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect(s) of the matter(s) 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. Unverified New University Funding Model

The statement of financial performance reflects Government grants of Kshs.677,860,351 as disclosed under Note 6 to the financial statements. Included in the amount is Kshs.227,551,382 that relates to a total of two thousand four hundred and eleven (2,411) students under the new university funding model. The audit review revealed the number of students allocated to Laikipia University under the new funding model totals 2,411 with a capitation grant totaling Kshs.23,917,052 for the first semester.

Details, approved policies or guidelines on how the students were allocated to different bands were however not provided. In addition, the number of students who were granted capitation for the second semester were 2,095 with capitation grants totaling Kshs.103,634,330. It was, however noted that two hundred and sixty-five (265) students were not granted funds totaling Kshs,13,587,822.

In the circumstances, the basis of allocation of capitation grants could not be confirmed.

2. Lack of Appointment Letters for External Examiners

The statement of financial performance and Note 14 to the financial statements reflects academic and research expenses amounting to Kshs.98,995,099. Included is Kshs.4,183,957 in relation to external examiners. However, no appointment letters were provided for the twenty-six (26) external examiners that were paid casting doubt on the regularity of their appointment.

Further, the payments were made through imprest to staff of the university and there was no evidence acknowledging receipt by the moderators including signed payment sheets or bank deposits. This was contrary to Section 13.1(a) of the University's guidelines for external moderation and examination policy that states that there shall be internal and external examiners of the university examinations appointed by the senate upon the recommendation of the boards of examiners at the schools, who shall prepare examinations and examine students in papers assigned to them by the schools.

In the circumstances, the regularity and propriety of the expenditure could not be confirmed.

3. Acting Appointments Beyond Six Months

The statement of financial performance and Note 10 to the financial statements reflects staff costs of Kshs.970,584,324. Review of the personnel records revealed that five (5) officers have been acting in their positions for over 6 months contrary to Section C.14 of Human Resource Policies and Procedures Manual for the Public Service, 2016 which provides that acting allowance would not be payable to an officer for more than six (6) months.

Further, it was observed that two senior management positions of deputy vice chancellors have not had substantive office holders for the last three (3) financial years. The office holders were appointed on acting capacity, holding office for 12 months each. No evidence was provided including advertisements to the posts to show intent of the University to fill the positions as per the approved staff establishment.

In the circumstances, management did not adhere to guidelines provided in the Human Resource Policies and Procedures Manual for the Public Service, 2016.

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

Responsibilities of the Management and 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and 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 services and using the applicable basis of accounting unless the Management is aware of the intention to dissolve 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi
31 December, 2024


**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 30TH JUNE 2024**

REVENUE	Notes	Page	2023/2024 (30.06.2024) Kes.	2022/2023 (30.06.2023) Kes.	Percentage Change %
Revenue from Non-exchange Transactions					
Government Grants (Recurrent)	6	21	677,860,351	894,695,904	-24.2%
Grants & Donations	7	21	9,753,565	5,693,229	71.3%
Sub-Total			687,613,916	900,389,133	-23.6%
Revenue from Exchange Transactions					
Students' Fees	8	22	722,073,659	319,625,060	125.9%
Other Miscellaneous Incomes	9	23	4,082,091	17,338,422	-76.5%
Sub-Total			726,155,749	336,963,482	115.5%
Total Revenue			1,413,769,665	1,237,352,615	14.3%
EXPENDITURE					
Staff Costs	10	24	970,584,324	964,139,821	0.7%
Administrative Expenses	11	26	94,377,974	85,922,807	9.8%
Repairs & Maintenance Expenses	12	27	11,273,031	6,560,739	71.8%
Contracted Services	13	27	11,869,632	7,101,926	67.1%
Academic & Research Expenses	14	28	98,995,099	102,754,404	-3.7%
Students Welfare Expenses	15	29	10,193,863	8,958,304	13.8%
Council Expenses	16	29	12,192,092	10,938,033	11.5%
Finance Charge	17	30	0	0	**
Depreciation & Amortization	18	30	32,645,292	48,329,609	-32.5%
Provision for Bad Debts	19	31	6,519,223	535,374	1117.7%
Loss on Disposal/De-recognition	20	31	8,100	24,450	-66.9%
Total Expenditure			1,248,658,629	1,235,265,467	1.1%
Operating Surplus/(Deficit)			165,111,036	2,087,148	7810.8%
Other Service Units					
Farm Surplus/(Deficit)	21	32	(6,496,376)	4,721,592	-237.6%
Catering Surplus/(Deficit)	22	32	(8,341)	1,050,087	-100.8%
Bookshop Surplus/(Deficit)	23	32	234,974	279,560	-15.9%
Total Other Service Units			(6,269,743)	6,051,238	-203.6%
Total Surplus/(Deficit)			158,841,293	8,138,386	1851.8%

The notes set out on pages 8 to 48 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the University Council by:


Dr. Lemein Korei, PhD.
CHAIRMAN OF COUNCIL

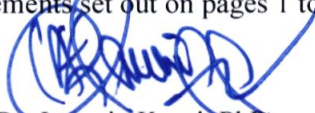

Prof. Kilbitt Rotich, PhD.
VICE CHANCELLOR



CPA Geoffrey K. Langat
ICPAK No. 4980
FINANCE OFFICER

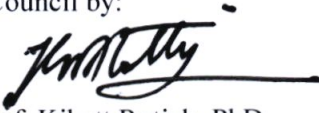
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2024

DETAILS	Notes	Page	2023/2024 (30.06.2024) Kes.	2022/2023 (30.06.2023) Kes.	Percentage Change %
ASSETS					
Current Assets					
Cash & Cash Equivalents	24	33	66,393,714	90,175,164	-26.4%
Receivables from Exchange Transactions	25(i)	34	240,656,409	181,983,404	32.2%
Receivables from Non-exchange Transactions	25(ii)	34	56,488,363	11,688,825	0.0%
Inventories	26	36	16,088,513	15,671,678	2.7%
Total Current Assets			379,626,999	299,519,070	26.7%
Non- Current Assets					
Property, Plant and Equipment	27	37	2,313,950,886	2,294,765,068	0.8%
Library Books	28	40	2,688,468	3,189,419	-15.7%
Intangible Assets (ERP Software)	29	41	24,510,660	29,693,140	-17.5%
Biological Assets	30	42	4,072,593	3,804,600	7.0%
Total Non- Current Assets			2,345,222,607	2,331,452,227	0.6%
Total Assets			2,724,849,606	2,630,971,297	3.6%
LIABILITIES					
Current Liabilities					
Accounts Payables	31 (i)	43	434,726,200	533,782,434	-18.6%
Total Current Liabilities			434,726,200	533,782,434	-18.6%
Non-Current Liabilities					
Long Term Liabilities	31(ii)	43	0	0	0.0%
Total Non- Current Liabilities			0	0	0.0%
Total Liabilities			434,726,200	533,782,434	-18.6%
NET ASSETS			2,290,123,406	2,097,188,863	9.2%
Financed By:					
Capital Reserve			1,867,162,482	1,860,441,989	0.4%
Revenue Reserves (Surplus/(Deficit))			(57,658,157)	(260,695,749)	-77.9%
Revaluation Reserve			480,619,082	497,442,624	-3.4%
Total			2,290,123,406	2,097,188,863	9.2%

The notes set out on pages 8 to 48 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the University Council by:


Dr. Lemein Korei, PhD.
CHAIRMAN OF COUNCIL


CPA Geoffrey K. Langat
ICPAK No. 4980
FINANCE OFFICER


Prof. Kibett Rotich, PhD.
VICE CHANCELLOR

**STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30TH JUNE, 2024**

Details	Capital Reserve	Revenue Reserve	Revaluation Reserve	Total Reserves
	Kes.	Kes.	Kes.	Kes.
2022/2023				
As at 1st July, 2022	1,832,054,890	(285,657,677)	514,266,166	2,060,663,378
Government Development Grants	31,938,825	0	0	31,938,825
Adjustment for Opening Reserves	0	0	0	0
Capital Assets Donation (Land)	0	0	0	0
Revaluation Gain during the year	0	0	0	0
Excess Depreciation on Revaluation	0	16,823,542	(16,823,542)	0
Capital Gain on Biological Assets	(3,551,726)	0	0	(3,551,726)
Funds used during the year	0	0	0	0
Total Surplus/(Deficit)	0	8,138,386	0	8,138,386
As at 30th June, 2023	1,860,441,989	(260,695,749)	497,442,624	2,097,188,863

Details	Capital Reserve	Revenue Reserve	Revaluation Reserve	Total Reserves
	Kes.	Kes.	Kes.	Kes.
2023/2024				
As at 1st July, 2023	1,860,441,989	(260,695,749)	497,442,624	2,097,188,863
Government Development Grants	6,750,000	0	0	6,750,000
Adjustment for Opening Reserves	0	27,372,757	0	27,372,757
Capital Assets Donation (Land)	0	0	0	0
Revaluation Gain during the year	0	0	0	0
Excess Depreciation on Revaluation	0	16,823,542	(16,823,542)	0
Capital Gain on Biological Assets	(29,507)	0	0	(29,507)
Funds used during the year	0	0	0	0
Total Surplus/(Deficit)	0	158,841,293	0	158,841,293
As at 30th June, 2024	1,867,162,482	(57,658,157)	480,619,082	2,290,123,406

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2024**

Details	2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Cash-flows from Operating Activities:	Kes.	Kes.
Receipts		
Government Grants (Recurrent)	621,371,988	894,695,904
Grants & Donations	9,873,565	5,693,229
Receipts from Students	259,324,330	260,798,879
HELB Receipts	175,210,456	37,980,700
Bursaries Receipts	40,103,747	32,348,383
Collaborations	0	1,151,002
Universities Fund	221,783,312	0
Receipts from Customers	5,383,098	8,343,719
Farm Receipts	9,070,091	12,469,581
Catering Receipts	7,912,978	4,348,469
Bookshop Receipts	1,694,349	1,983,596
Other Miscellaneous Receipts	4,039,297	17,753,767
Total Receipts	1,355,767,210	1,277,567,229
Payments		
Staff Costs	1,012,986,086	938,897,574
Administrative /Operation Costs	99,262,127	88,197,640
Repairs & Maintenance	8,377,155	7,820,268
Contracted Services	12,801,378	5,815,753
Academic & Research Expenses	152,517,810	123,999,093
Students Welfare	9,882,753	10,423,360
Council Expenses	9,699,377	11,191,417
Farm Expenses	15,520,068	9,093,003
Catering Expenses	9,289,320	7,242,741
Bookshop Expenses	1,243,676	1,276,552
Students Caution Money	2,528,000	3,940,000
Excess Fees Refunds	403,285	1,259,245
HELB Refunds	118,000	57,000
Bursaries Refunds	2,555,100	46,000
Laikipia University Students' Association (LUSA)	4,133,610	4,389,498
Alumni Account	540,000	1,191,700
Customers Refunds	0	500
Other Miscellaneous Payments	2,531,159	4,502,862
Total Payments	1,344,388,905	1,219,344,206
Net Cash-flows from Operating Activities:	11,378,306	58,223,023



Cash flows from Investing Activities		
Payment to Contractors for Capital Projects	41,186,381	76,856,366
Purchases of Plant & Equipment	10,067,867	8,515,923
Purchase of Intangible Assets	1,206,886	3,007,240
Purchase of Library Books	839,947	2,594,783
Purchase of Biological Assets	297,500	182,500
Proceeds from disposal/De-recognition	0	(76,050)
Net cash used in investing Activities	53,598,581	91,080,762
Cash Flows from Financing Activities:		
Government Development Grants	18,438,825	20,250,000
Proceeds from Long Term Liabilities	0	0
Repayments of Long Term borrowings	0	0
Net cash generated from Financing Activities	18,438,825	20,250,000
Increase/(decrease) in cash and Cash Equivalents	(23,781,450)	(12,607,739)
Cash & Cash Equivalents at Beginning of the Year	90,175,164	102,782,903
Cash & Cash Equivalents at the end of the period	66,393,714	90,175,164
Reconciliation of Cash & Cash Equivalents		
Cash & Cash Equivalents as per Cash Flow Statement	66,393,714	90,175,164
ADD: Overdrawn Accounts	0	0
Cash & Cash Equivalents as per Balance Sheet	66,393,714	90,175,164

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2024**

DETAILS	Approved Budget 2023/2024 Kes.	Virement (Adjustments) 2023/2024 Kes.	Revised Budget 2023/2024 Kes.	Actual on Comparable Basis 2023/2024 Kes.	Performance Difference 2023/2024 Kes.	Notes
REVENUE						
Government Grants (Recurrent)	677,860,351	0	677,860,351	677,860,351	0	
Grants & Donations	7,500,000	0	7,500,000	9,753,565	2,253,565	
Students' Fees	632,649,000	23,919,802	656,568,802	722,073,659	65,504,857	i
Other Incomes	5,876,500	0	5,876,500	4,082,091	(1,794,409)	
Total	1,323,885,851	23,919,802	1,347,805,653	1,413,769,665	65,964,012	
EXPENDITURE						
Staff Costs	1,005,540,134	(20,100,613)	985,439,521	970,584,324	14,855,198	ii
Administrative Expenses	73,486,000	21,082,000	94,568,000	94,377,974	190,026	
Repairs & Maintenance Expenses	7,000,000	3,850,000	10,850,000	11,273,031	(423,031)	
Contracted Services	8,500,000	2,444,266	10,944,266	11,869,632	(925,366)	
Academic & Research Expenses	96,230,000	9,546,649	105,776,649	98,995,099	6,781,550	iii
Students Welfare	9,650,000	0	9,650,000	10,193,863	(543,863)	
Council Expenses	14,500,000	0	14,500,000	12,192,092	2,307,908	iv
Finance Charge	0	0	0	0	0	
Depreciation & Amortization	32,500,000	0	32,500,000	32,645,292	(145,292)	
Provision for Bad Debts	4,000,000	0	4,000,000	6,519,223	(2,519,223)	v
Loss on Disposal/ De-recognition	0	0	0	8,100	(8,100)	
Total	1,251,406,134	16,822,302	1,268,228,436	1,248,658,629	19,569,807	
Operating Surplus/(Deficit)	72,479,717	7,097,500	79,577,217	165,111,036	46,394,205	
Other Service Units						
Sales						
Farm	27,980,000	0	27,980,000	9,465,032	(18,514,968)	vi
Catering	13,000,000	0	13,000,000	10,169,144	(2,830,856)	
Bookshop	3,000,000	0	3,000,000	1,370,347	(1,629,653)	
Total Sales	43,980,000	0	43,980,000	21,004,523	(22,975,477)	
Expenses						
Farm	15,980,000	0	15,980,000	15,961,408	(18,592)	
Catering	10,880,000	0	10,880,000	10,177,485	(702,515)	
Bookshop	2,000,000	0	2,000,000	1,135,373	(864,627)	
Total Expenses	28,860,000	0	28,860,000	27,274,266	(1,585,734)	
Total Surplus/Deficit) for Service Units	15,120,000	0	15,120,000	(6,269,743)	(21,389,743)	
Total Surplus/(Deficit)	87,599,717	7,097,500	94,697,217	158,841,293	25,004,462	
ADD: Other Receipts (Non P&L)						
Government Grants (Capital)	27,000,000		27,000,000	6,750,000	(20,250,000)	vii
Deficit Financing- Bank Loan	0	0	0	0	0	
	27,000,000	0	27,000,000	6,750,000	(20,250,000)	
LESS: Other Payments (Non P&L)						
Plant & Equipment	14,800,000	7,097,500	21,897,500	9,723,995	12,173,505	viii
Capital Development	29,617,517	0	29,617,517	36,753,783	(7,136,266)	ix
Debt Management	70,182,200	0	70,182,200	182,944,014	(112,761,815)	x
	114,599,717	7,097,500	121,697,217	229,421,793	(107,724,576)	
Total Surplus/(Deficit) for the Year	(0)	0	(0)	(63,830,500)	(63,830,500)	



(Handwritten signature)

EXPLANATORY NOTES TO STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

IPSAS 24 requires disclosure of an explanation of the reasons for material differences between the budget and actual amounts. During the period under review, there were performance differences between the actual and budgeted amounts which are explained as follows:

- i. Students Fees – The University cumulatively recorded higher fees than previously anticipated due to higher number of first year students’ admission during the period.
- ii. Staff Costs – The University had budgeted for employment of two (2) Deputy Vice Chancellors during the period but the process is still ongoing hence the funds have not been utilized.
- iii. Academic and Research Expenses – The variance was as a result of timing difference on teaching practice and field attachment that runs between May-July and hence the claims have not been processed. In addition the allocation for examination moderation under the directorate of post graduate have not been conducted hence the funds were not fully utilized.
- iv. Council Expenses – The University anticipated appointment of a Chancellor and Chairman of Council at the start of the financial year. However, the University Chancellor has not been appointed and the Chairman of Council was appointed late in December 2023 leaving the allocated funds un-utilized.
- v. Provision for Bad Debts – The variance in this line item was as a result of high increase in receivables than previously anticipated.
- vi. Farm Sales – The University had planned to generate more revenue from the sale of wheat but there was low harvest leading to lower income than was previously anticipated. Farm harvested 810 bags on 150 acres piece of land leading to un-favorable harvest.
- vii. Government Grants (Development) -. The University received only one quarterly disbursement for development capitation from the Government through the Ministry of Education. Disbursements for three (3) quarters have not been received leading to an unfavorable variance of Kes. 20.25 million during the period.
- viii. Plant & Equipment – The University was not able to procure the planned equipment due to shortage of funds.
- ix. Capital Development – The University surpassed the annual target as a result of fast tracking completion of capital projects during the year.
- x. Debt Management – The University managed to surpass the planned debt management in compliance with the National Treasury guidelines to prioritize and clear pending bills.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2024

1. General Information

Laikipia University is a body corporate established through the Laikipia University Charter of 19th February, 2013. The University is established and derives its authority and accountability from the Universities Act 2012. The University is wholly owned by the Government of Kenya and is domiciled in Kenya. The University's principal activities are; research, education, scholarship, training, innovation, outreach and consultancy.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment. The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) Accrual. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Entity's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the University.

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

3. Adoption of New and Revised Standards

a) New and Amended Standards and interpretation in issue effective in the year ended 30th June 2024

There were no new or amended standards in issue effective in the year ended 30th June 2024.

b) New and Amended Standards and interpretation in issue but not yet effective in the year ended 30th June 2024

New and amended Standards in issue but not yet effective in the year ended 30th June 2024 were as follows;



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

i) IPSAS 43: Leases

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The new standard requires entities to recognize, measure and present information on right of use of assets and lease liabilities. The University does not have lease assets or liabilities and therefore the standard is not applicable.

ii) IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations

The standard specifies the accounting treatment for assets held for sale and the presentation and disclosure of discontinued operations. The University does not hold any asset for sale to apply this standard.

iii) IPSAS 45: Property Plant and Equipment (PPE)

This standard supersedes IPSAS 17 and aims to enhance the principles from IPSAS 17 by incorporating new guidance on heritage assets, infrastructure assets, and the measurement of property, plant, and equipment (PPE). Heritage assets were previously excluded from the scope of IPSAS 17 and shall be included if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets and implementation. During the year under review, the University did not have any unrecognized and/or additional heritage assets that requires disclosure under this IPSAS,

iv) IPSAS 46: Measurement

The purpose of this standard is to enhance measurement guidance in IPSAS by offering additional instructions on applying commonly used measurement bases and specifying when they should be utilized. Further, the standard is meant to provide clearer guidance on transaction costs to improve consistency across IPSAS as well as revise guidance across IPSAS related measurement at recognition, subsequent measurement and measurement-related disclosures.

v) IPSAS 48: Transfer Expenses

This is a new standard for public sector entities geared to provide guidance to entities on reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. A transfer expense is one that arises from a transaction, other than taxes, in which an entity provides a good, service or other service to another entity, without directly receiving any good, service or other asset in return.

The University does not incur transfer expenses that require disclosure under the standard.

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

vi) **IPSAS 49: Retirement Benefit Plans**

The standard prescribes the accounting and reporting requirements for the public sector retirement benefit plans, which provide retirement to public sector employees and other eligible participants. The University do not fall under retirement benefit plans and therefore does not require disclosure under this standard.

c) **Early Adoption of Standards**

Early adoption of standards applies to new and revised standards in issue but not yet effective in the year ended 30th June 2024. The University did not early-adopt any new or amended standards in financial year 2023/2024.

4. **Summary of Significant Accounting Policies**

The principle accounting policies applied in the preparation of the University's financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. **Revenue Recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the University's activities. The University recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the University and when specific criteria have been met for each of the University's activities as described below. Revenue has been accounted for using the accrual concept of accounting. Income is recognized in the period in which it is earned. The revenue recognition is as follows:

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

The accounting treatment on university's revenue from non-exchange transactions are outlined as follows:

❖ **Government Grants** – These are recognized as income in the period they are received.

Accrued Government grant is recognized only when there is a reasonable assurance that the entity will comply with any condition attached to the grant and that the grant will be received.

❖ **Other Grants & Donations** - Grants and donations in form of research grants and donations from National Government-Constituency Development Funds (NG-CDFs) are recognized as income in the period it is received. The entity does not accrue un-received grants and donations unless there is a reasonable assurance to receive the funds.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

ii) Revenue from exchange transactions

Revenue from exchange transactions for the University are accounted for as follows:

- ❖ **Tuition and Fees** - Revenue from tuition and fees are recognized prorata over the relevant period. The entity applies accrual concept in relation to tuition and fees receivable in a particular year. Revenue from tuition fees are accounted for over the period in which they relate. Fees paid in advance are carried forward under trade and other payables as fees prepayment.
- ❖ **Other Miscellaneous incomes** - Revenues from other sources are recognized when the amount of revenue can be measured reliably.

b. Budget Information

IPSAS 24 requires a comparison of budget amounts and the actual amounts arising from execution of the budget to be included in the financial statements of entities which are required to, or elect to, make publicly available their approved budget(s) and for which they are, therefore, held publicly accountable. Compliance with the requirements of this standard ensures that public sector entities discharge their accountability obligations and enhance the transparency of their financial statements by demonstrating compliance with the approved budget(s) for which they are held publicly accountable and, where the budget(s) and the financial statements are prepared on the same basis, their financial performance in achieving the budgeted results.

c. Reserves

Laikipia University maintains three types of reserves as indicated on the Statement of changes in reserves of the financial statements;

Capital reserve: - This is a type of fund that is set aside for long term projects in the University.

Revenue reserve: - This is a type of fund created from University surplus generated from operating activities for future use.

Revaluation Reserve: - This is an account created by companies to account for the fluctuations of a long-term asset to reflect the fair value of the assets.

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

d. Property, Plant and Equipment

The University recognizes all its property, plant and equipment at cost less accumulated depreciation and impairment losses. In case of revaluation of long term assets, the University maintains the assets at fair value using revalued amounts less accumulated depreciation and impairment losses. The University conducts revaluation on all fixed assets after every five years. The University charges annual depreciation on all assets at the close of financial period. Land is not depreciated as it is deemed to have an infinite life. Depreciation on other property is charged so as to write off the assets during the estimated useful life, using the straight line method. Assets acquired during the year will attract full year depreciation while assets disposed during the year will not be charged the depreciation. The annual depreciation rates used are as follows:-

Buildings	-	2.5%
Office Equipment	-	20%
Furniture & Fittings	-	12.5%
Plant, Machinery & Tractors	-	10%
Motor Vehicles & Motor Bikes	-	25%
Computer & Accessories	-	20%
Library Books	-	20%

Reserves transfer

The depreciation charge on the revalued asset will be different to the depreciation that would have been charged based on the historical cost of the asset. The University makes annual transfer of an amount equal to the excess depreciation from the revaluation reserve to retained earnings.

Disposal of Assets

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the income statement. When revalued assets are sold, the amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

e. Intangible Assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. These costs are amortized on the basis of the expected useful lives. Software is amortized on a straight line basis over the expected/estimated useful life. The University amortizes intangible assets at a rate of 20% per year.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

f. Biological Assets

Livestock are valued at the prevailing market rates. Crops are valued at fair value less estimated point of sale costs. Formula for calculating the value of crops in the field is as follows:

$$V_c = \frac{D \times A \times YP \times SP}{MP}$$

Where:

V_c – Value of crop	YP – Yield Potential of the crop
D – Age in Days	SP – Selling Price per 90 Kg Bag
A – Area in Acres	MP – Maturity Period

g. Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term petty cash imprests and money orders with post office not cleared at the end of the financial year.

h. Inventories

Inventories are stated at the lower of cost or net realizable value. Costs of issues are calculated using 'First in First Out' (FIFO) method. Net realizable value represents the estimated selling price less any estimated cost of disposal. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the University.

i. Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

The University makes a general provision for bad and doubtful debts at 10% on carrying amounts of receivable at the close of financial period.

j. Contingent liabilities

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

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

k. Contingent assets

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

l. Related Parties

IPSAS 20 requires an entity to disclose the existence of related party relationships where control exists, and the disclosure of information about transactions between the entity and its related parties in certain circumstances. The principal issues in disclosing information about related parties are (a) identifying which parties control or significantly influence the reporting entity, and (b) determining what information should be disclosed about transactions with those parties.

Parties are considered to be related if one party has the ability to (a) control the other party, or (b) exercise significant influence over the other party in making financial and operating decisions. The University's related parties include the members of University Council, Management Board and the Government.

Laikipia University Council is the governing body of the University and therefore a related party to the University. Remuneration to University Council members is analyzed on Note 15 of the financial statements.

In addition, Members of the University Management Board (UMB) are the key management personnel in the University and regarded as related parties. The UMB comprise of the Vice Chancellor, Deputy Vice Chancellor (AF&P), Deputy Vice Chancellor (ARSA), Registrar (Administration & Human Capital), Registrar (Academic Affairs) and Finance Officer. IPSAS 20 stipulates that remuneration of key management personnel falls under related party transactions and therefore shall be disclosed in the financial report for the year. Remuneration of University Management Board is indicated under staff costs in Note 10 of the financial statements.

The Government of Kenya is also a related party to the University especially in terms of financing and policies. Government financing through Ministry of Education is analyzed in appendix 4 of the financial statements.



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

m. Employee Benefits (Retirement Benefit Costs)

Laikipia University, jointly with Egerton, Kisii and Chuka Universities operates a contributory pension scheme for eligible employees. The assets of the scheme are held separately in a trustee administered fund that is funded by both employees and the University.

The University obligation to the scheme is the contribution of 20% of basic Salary whereas the employees contribute 10% of their basic Salary. The University also contributes to the National Social Security Fund (NSSF) for staff in all cadres as guided by the new NSSF act effective February 2023

The University contributions to the above schemes are charged to the Statement of Financial Performance in the year to which they relate. The University has no further obligation once the contributions have been remitted to the pension fund. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The University's contributions to the defined contribution schemes are recognized as an employee benefit expense in the year which it relates.

All employees are expected to take their annual leave as and when it matures during the year, otherwise, forfeit it. Hence there is no accrued annual leave at the statement of financial position date.

Employee's entitlements to gratuity are recognized when they accrue to contractual employees. A provision is made for the liability for such entitlements as a result of services rendered by employees up to the statement of financial position date. Such employees become entitled to the gratuity at the end of every financial year in their contracts and the payments out of this are charged to the accrued gratuity account.

n. Risk Management in Laikipia University

The University's activities expose it to a variety of financial risks. Effective risk management and control are essential pillars for the sustainable growth of the University. The University has put in place the Integrated Management Systems (IMS) in all functional areas on risk management to evaluate, respond to and monitor risks in the execution of our strategy.

The University's financial risk management types and exposures are detailed below;

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

(i) Credit Risk Management

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the University. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to students, and other outstanding receivables. The University's credit risk is primarily attributable to its receivables. To mitigate the credit risk the University provides provision for doubtful debts at 10%. The amounts presented in the statement of financial position are net of allowances for doubtful receivables.

The University's policy is payment on invoicing and reporting and thus students' receivables are categorized as either past due or impaired.

The amount that best represents the University's maximum exposure to credit risk is analyzed as follows;

Credit risk Analysis

Details	Total Kes.	Fully Performing Kes.	Past due Kes.	Impaired Kes.
As at 30 June, 2024				
Students Receivables	172,286,522		172,286,522	
Other Receivables	68,369,887		68,369,887	
GOK Capitation Receivable	56,488,363		56,488,363	
Bank Balances	<u>66,393,894</u>	<u>66,393,894</u>	<u>0</u>	<u>0</u>
	<u>363,538,666</u>	<u>66,393,894</u>	<u>297,144,772</u>	<u>0</u>
As at 30 June, 2023				
Students Receivables	114,512,863		114,512,863	
Other Receivables	67,470,540		67,470,540	
GOK Capitation Receivable	11,688,825		11,688,825	
Bank Balances	<u>90,175,164</u>	<u>90,175,164</u>	<u>0</u>	<u>0</u>
	<u>283,847,392</u>	<u>90,175,164</u>	<u>193,672,228</u>	<u>0</u>

(ii) Liquidity risk management

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash to meet the University's obligations. Ultimate responsibility for liquidity risk management rests with the University Management Board, which has built an appropriate liquidity risk management framework for the management of the University's short, medium and long-term funding and liquidity management requirements. The risk exposes the University to litigations and denial of services. To mitigate the risk the University Management Board prepares and reviews the cash forecasts regularly and determines the University's cash requirement. The University analyses its financial liabilities into relevant maturity period based on the remaining period at the end of reporting period to the contractual maturity date as shown below;



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

Liquidity risk Analysis				
Details	Less than one Month	Between 1-12 Months	Over 12 Months	Total
	Kes.	Kes.	Kes.	Kes.
As at 30th June, 2024				
Trade Payables	8,273,058	10,569,195	15,276,950	34,119,202
Contractors	17,578,796	1,132,208	92,186,733	110,897,737
SSP Claims	6,161,246	2,687,550	80,009,277	88,858,073
Prepaid Fees	0	43,585,287	23,531,330	67,116,618
Other Payables	66,815,340	14,062,316	29,194,680	110,072,336
Caution Money	0	5,675,000	17,987,234	23,662,234
	<u>98,828,440</u>	<u>77,711,556</u>	<u>258,186,205</u>	<u>434,726,200</u>
As at 30th June, 2023				
Trade Payables	5,912,883	28,082,019	15,652,949	49,647,851
Contractors	0	39,804,859	75,112,098	114,916,956
SSP Claims	10989860	26,716,128	127,968,889	165,674,877
Prepaid Fees	0	47,765,665	0	47,765,665
Other Payables	74,446,666	10,177,809	50,413,145	135,037,620
Caution Money	0	3,288,000	17,451,464	20,739,464
	<u>91,349,409</u>	<u>155,834,480</u>	<u>286,598,545</u>	<u>533,782,434</u>

(iii) Compliance risks

These are risks that arise from the University's failure to comply with the statutory, regulatory and regulations as set out by the relevant governing bodies. Failure to meet compliance requirements can expose the University to consequences ranging from loss of funding, loss of accreditation of academic programmes by the Commission on University Education and, Technical and Vocational Training Authority, or, in extreme cases, lawsuits and/or criminal charges against the University. To mitigate compliance risks the University ensures compliance with statutory, regulatory, and regulations requirements. The University further is regulated by the Commission for University Education guidelines and other educational laws and regulations.

(iv) Governance risk

These are risks that might arise from unethical management of an organization by its leaders in accordance with approved University policies and strategies. If not well managed, the University can be exposed to the risk of high cost of operation; ineffective leadership across all aspects of governance; reduced visibility into risks, threats and vulnerabilities; unprotected and unfavorable internal audits, financial penalties and litigations and lastly increased risks across the entire organization including financial risks, operational risks, security risks and compliance risks. To mitigate the adverse effects of governance risk the University has developed and implemented policies, put in place strong internal control mechanisms and strengthened the internal audit department unit.

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

o. Research and Development Costs

Research and development expenditure is charged to income statement in the year it is incurred.

p. Interest on Loans

Interest on loan has been charged as expenses in the year they have been incurred. The policy is to accrue all un-paid interest relating to the year under review.

q. Tax Exemption

All public Universities are classified under Not-for-Profit Organizations (NPOs) and they enjoy tax exemptions and incentives from Government because they provide services that positively influence social welfare. These services should be provided free of charge, below cost or at the very minimum cost. The NPOs include Charities/NGOs/Trusts, Churches/Religious Organizations, Hospitals, Schools/Universities among others.

For NPOs to be exempt from Income Tax, they must have been established solely to;

- Relief poverty or distress of the Public
- Advance religion or education.

r. Events after Reporting Date

Events after the end of the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The events can either be adjusting or non-adjusting. Adjusting events are those providing evidence of conditions existing at the end of the reporting period, whereas non-adjusting events are indicative of conditions arising after the reporting period (the latter being disclosed where material). There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the University's financial statements in accordance with IPSAS 1, requires disclosure of information about the assumptions the entity makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, which have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Estimates and assumptions

The preparation of the financial statements necessitates assumptions and estimates affecting the amounts and the reporting of the recognized revenue and expenditure, assets and liabilities, and contingent liabilities. The University based its assumptions and estimate on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about the future developments may change due to market changes or circumstances arising beyond the control of the University.

An accounting assumption is a belief or opinion that is made when preparing financial statements. The role of these assumptions is to provide a framework for understanding financial statements.

Accounting estimates represent monetary amounts in financial statements that are subject to measurement uncertainty. The University has developed certain estimates using judgments based on the most recent and reliable information.

The estimate and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities during the financial year are discussed below;

i) Going concern

The Council has evaluated the University's operations and found no indications that would suggest the University might face liquidation or be compelled to discontinue its activities for any reason. Consequently, the Council is confident that the University will remain a going concern and continue its operations for at least the next twelve months from the date of this statement.

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

ii) Contingent Assets and liabilities

The University does not recognize the estimates of contingent liabilities but discloses details of any contingencies in the financial statements at the end of the reporting period, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Similarly, the University does not recognize a contingent asset but discloses details of a possible asset, if any, whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the University.

iii) Useful lives and residuals value

The useful life of an asset is defined in terms of the asset's expected utility to the entity. The estimation of the useful life of the asset is a matter of judgment based on the experience of the entity with similar assets.

Based on judgment, the University PPEs and intangible assets have a finite useful life and are depreciated to their residual values. 'Residual value' is the amount that could currently be received from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition that it will be in at the end of its useful life.

b) Provisions

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

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The management therefore, estimates a provision based on exposure precedents and industry best practice. University has provided for the following provisions:

- Provision for bad debts – University policy on provision for bad debts is to provide for 10% of carrying amounts for bad and doubtful debts.
- Provision for Depreciation & Amortization - The University policy is to apply full year depreciation at the year of purchase with no depreciation on disposal of an asset.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

6. Government Grants

Transfers from government entities are classified under revenue from non-exchange transactions as there are no services expected in return. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

During the year under review the University received a total of Kes. 677,860,351 in 2023/2024 FY compared to Kes. 894,695,904 in 2022/2023 FY as recurrent capitation. This was a decrease by 24.2% during the year and accounted for as revenue in the statement of financial performance. Contribution of the Government through Ministry of Education (MoE) to total revenue was registered at 47.95% during the 2023/2024 financial year. Excluded in recurrent revenue was Kes. 6.8 million for development expenditure which were accounted for in the accumulated reserves under the capital fund (See Appendix IV).

Government Grants		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
40-01-001	GOK Recurrent	677,860,351	894,695,904
	Sub-Total	677,860,351	894,695,904

7. Grants & Donations

The University registered grants and donations totaling to Kes. 9,753,565 in 2023/2024 FY compared to Kes. 5,693,229 recorded in 2022/2023 financial year. This comprises research grants recognized at 100% as per University policy. Donations to students by Higher Education Loans Board (HELB) and National Government-Constituency Development Funds (NG-CDFs) are posted directly to students accounts to reduce receivables but not revenue to the University. Grants and donations to the University during the year were as follows;

Grants & Donations		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
40-01-002	Research Grants	9,753,565	5,693,229
40-01-003	Other Grants & Donations	0	0
	Sub-Total	9,753,565	5,693,229

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

8. Students' Fees

The primary issue in accounting for revenue is determining when to recognize revenue. Revenue is recognized when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured reliably.

Revenue from students' fees is classified under revenue from exchange transaction and is accounted for over the period in which they relate. Fees paid in advance are carried forward as excess/prepayments under accounts payables. Students' fees were the highest contributor of revenue at 51.07% during the year. The University recorded students' fees amounting to Kes. 722,073,659 in 2023/2024 FY compared to Kes. 319,625,060 in the last financial year 2022/2023, resulting to an increase by 125.9%. Higher fees in current financial period is as a result of implementation of new funding model where total cost for each programme is invoiced to the student and financed through Government scholarships, HELB Loans and Household

Students' Fees		2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Code	Description	Kes.	Kes.
40-02-001	Tuition	486,723,663	128,392,102
40-02-002	Application Fee	344,555	215,000
40-02-003	Students ID	1,584,000	1,186,500
40-02-004	Registration	22,896,800	18,285,100
40-02-005	Examination Fee	21,885,500	18,924,000
40-02-006	Material Development	21,891,000	18,898,500
40-02-007	Activity Fee	22,635,900	19,394,500
40-02-008	Students Medical Fee	15,335,400	13,074,300
40-02-009	Library Fee	15,478,400	13,189,800
40-02-010	Students Supervision Fee	49,928,040	37,722,500
40-02-011	Laboratory Charges	18,727,500	14,768,500
40-02-012	Convocation Fee	5,649,500	10,047,000
40-02-013	Computer Charges	19,405,380	16,539,850
40-02-014	Accommodation	5,637,500	3,896,500
40-03-001	Retakes & Supplementary Exams	8,539,000	3,714,500
40-03-002	Examination Remarketing fees	8,000	7,000
40-03-003	Students ID Card Replacement	76,500	0
40-03-006	Certificates Late Collection	210,300	263,500
40-03-007	Academic Transcripts	684,392	1,091,900
40-03-032	Academic Field Trips Charges	4,432,328	14,008
	Sub-Total	722,073,659	319,625,060



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

9. Other Miscellaneous Income

The University recorded a total of Kes. 4,082,091 translating to 0.29% of the total income during the 2023/2024 financial period. This was a decrease by 76.5% compared to 2022/2023 FY which recorded a total of Kes. 17,338,422 in miscellaneous income. Included in miscellaneous income for 2022/2023 financial year was sale of trees at Kes 12,000,000 thus a higher revenue compared to current financial year 2023/2024. An analysis of other incomes for the year is as follows;

Other Sundry Income		2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Code	Description	Kes.	Kes.
40-03-004	Library Fines	9,415	45,758
40-03-005	Students' Damages	17,400	58,500
40-04-003	Medical Charges - Guests	248,568	328,838
40-04-004	NHIF Rebates	618,595	653,570
40-04-007	Hire of Hall	10,000	0
40-04-009	Hire of Transport	753,690	286,612
40-04-014	Conference Charges	0	216,500
40-04-016	Rent & Leasehold Income	647,583	778,636
40-04-017	Insurance Claim	0	1,600,000
40-04-019	Sale of Detergents	121,500	11,689
40-04-021	Other Sundry Income	260,473	122,959
40-04-022	Hire of Gowns	394,500	23,000
40-04-023	Sale of Trees	0	12,000,000
40-04-025	Inter-Faculty Transfers	278,000	162,000
40-04-026	Guest House Income	323,000	283,500
40-04-029	Sale of Mineral Water	177,772	136,760
40-04-030	Ethics Review Charges	101,596	42,000
40-04-031	Receipts in Lieu of Notice	0	500,100
40-04-032	Online Journal Publications	120,000	88,000
	Sub-Total	4,082,091	17,338,422

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

10. Staff Costs

The average number of employees during the period was 445 with a composition of 6 members of the University Management Board, 89 teaching staff and 350 non-teaching staff. The University incurred a total of Kes. 970,584,324 translating to 77.7% of total recurrent expenditure to cater for staff salaries and benefits for the financial year ended 30th June, 2024 compared to Kes. 964,139,821 for similar period ended 30th June, 2023. Included in staff costs is compensation to University Management Board amounting to Kes. 55,705,662 in 2023/2024 FY compared to Kes. 52,793,748 for 2022/2023 FY as detailed below;

UMB Remuneration

Name	Designation	2023/2024 Kes.	2022/2023 Kes.
Prof. Kibett Rotich	Vice Chancellor	16,097,287	15,914,446
Prof. Charles Nguta	Ag. Deputy Vice Chancellor - ARSA	4,199,134	-
Prof. Jacinta Ndambuki	Former Ag. Deputy Vice Chancellor - ARSA	4,114,837	4,079,836
Prof. Felicia Yieke	Former Ag. Deputy Vice Chancellor - ARSA	-	4,437,576
Prof. James Ogolla	Ag. Deputy Vice Chancellor – AF&P	4,565,632	-
Prof. Nicholas Kamau	Former Ag. Deputy Vice Chancellor – AF&P	4,114,837	4,079,836
Prof. Albert Rutere	Former Ag. Deputy Vice Chancellor - AF&P	-	3,883,172
Prof. Robert Mwebi	Registrar A&R	7,174,270	2,333,291
Dr. Raphael Kiugu	Former Registrar A&R	-	3,018,316
Dr. Hezron Nyamwenga	Registrar (A&HC)	7,767,358	7,573,011
CPA. Geoffrey K. Langat	Finance Officer	7,672,309	7,474,264
	Total	55,705,662	52,793,748

There were no other related party transactions by the University Management Board members such as loans or advances or any other item described under IPSAS 20.

The University together with Egerton, Kisii and Chuka Universities operates a defined contribution staff provident scheme. The University contributes 20% of basic salary to pensionable staff in grade 5-15 which amounted to Kes. 66,649,901 in 2023/2024 FY compared to Kes. 67,870,347 in 2022/2023 financial year. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Employees on contract are entitled to contract gratuity annually. In addition staffs in grade I-IV are entitled to service gratuity upon retirement at 31% on current basic salary for every year worked. The University incurred gratuity amounting to Kes. 39,413,632 in the year ended 30th June, 2024 compared to Kes. 24,216,516 in the last financial year ended 30th June, 2023.



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

All employees are expected to take their annual leave as and when it matures during the year, otherwise, forfeit it. Hence there is no accrued annual leave at date of the statement of financial position. Detailed breakdown of staff costs during the 2023/2024 financial year is as follows;

Staff Costs		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-01-001	Basic salary	430,412,244	439,072,270
50-01-002	House Allowance	167,152,932	172,325,398
50-01-003	Hardship Allowance	75,150,401	77,150,578
50-01-004	Medical Allowances	11,378,385	11,739,301
50-01-005	Commuting Allowance	61,210,513	62,789,440
50-01-006	NSSF (Employer)	8,037,622	1,776,440
50-01-007	Pension (Employer)	66,649,901	67,870,347
50-01-008	National Housing Levy	9,282,793	0
50-01-009	Leave Travel	4,866,750	4,932,542
50-01-010	Other Personal Allowances	41,529,468	42,218,107
50-02-001	Gratuity	39,413,632	24,216,516
50-02-002	Passage & Baggage	238,673	338,839
50-02-003	Internship	755,645	1,030,833
50-02-004	Locum Salary	2,234,277	1,917,284
50-02-005	Sabbatical Expenses	2,085,379	4,220,310
50-02-006	Book Allowance	20,890	16,150
50-02-007	National Industrial Training Authority (NITA)	290,250	283,550
50-02-008	Overtime & Leave Payment	415,994	726,571
50-02-009	Group Life insurance	13,910,957	14,972,788
50-02-010	Casual Labour	3,887,168	3,197,821
50-02-011	Staff Med. Expenses (Hospitalization)	20,671,156	23,720,066
50-02-012	Staff (Dental & Optical) Expenses	1,336,741	1,246,244
50-02-013	Staff Development/Training	6,373,392	6,627,853
50-02-014	Tuition Fee Waiver	543,660	365,000
50-02-015	Staff Welfare	0	108,523
50-02-016	Staff Funeral Expenses	208,000	663,500
50-02-018	Staff Uniforms & Clothing Allowance	2,322,100	482,950
50-02-019	Subscription to Professional Bodies	205,400	130,600
	Total Staff Costs	970,584,324	964,139,821

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

11. Administrative Expenses

The University incurred a total of Kes. 94,377,974 as administrative expenses in 2023/2024 compared to Kes. 85,922,807 in 2022/2023 FY as itemized below;

Administrative Expenses		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-03-001	Travel & Subsistence	34,024,363	34,059,491
50-03-002	Transport Operating Expenses	8,374,390	5,472,514
50-03-003	Electricity Expenses	22,038,626	15,006,580
50-03-004	Office Stationery	1,204,988	1,840,684
50-03-005	Audit Fees	696,000	696,000
50-03-006	Security Infrastructure	2,283,000	2,108,192
50-03-007	Advertising & Publicity	815,290	1,602,597
50-03-008	Publishing & Printing	524,000	373,710
50-03-009	Postage & Telephone	1,220,265	1,218,548
50-03-010	Photocopying Expenses	4,845	10,500
50-03-011	Computer charges & Stationery	2,203,380	2,377,651
50-03-012	Bank Charges	734,610	797,239
50-03-013	Mpesa Charges	0	232
50-03-014	Public Celebrations	269,415	0
50-03-015	Revaluation of Assets	0	5,000
50-03-016	General Licenses, Permits & Levies	400,492	186,050
50-03-017	Rents & Rates	236,655	0
50-03-018	Foreign Exchange Rates Fluctuations	0	220,943
50-03-019	Tendering Expenses	396,900	238,000
50-03-020	Quality Assurance	414,000	263,000
50-03-021	Strategic Plan/Charter Launch	1,832,395	2,443,201
50-03-022	Maintenance of water & Sewerage	50,450	0
50-03-023	ISO Expenses/Launch	570,300	1,412,910
50-03-024	Performance Contracting	2,215,672	2,545,510
50-03-025	Software Maintenance Expenses	1,299,556	793,630
50-03-026	Health Week	105,210	143,000
50-03-027	Subscription to University Memberships/Regulatory Bodies	981,695	1,272,500
50-03-028	Cleaning Materials	485,617	290,475
50-03-029	Meeting Expenses	5,397,660	4,852,599
50-03-030	Detergent Expenses	0	177,619
50-03-031	Accommodation/Guest House Expenses	0	37,243
50-03-032	Office Operating Expenses	1,468,030	1,238,809
50-03-034	Students' Registration Exp.	1,216,174	624,000
50-03-036	Students' ID Cards Expenses	703,302	2,195,500
50-03-038	Corporate Affairs & Marketing	490,725	0
50-03-039	Ethics Review Expenses	147,200	45,000
50-03-040	Disability Mainstreaming	336,500	206,920
50-03-041	HIV Aids Control Unit Expenses	236,665	0
50-03-042	Resource Mobilization Expenses	506,903	522,983
50-03-044	Complaints Resolution Exp.	0	17,500
50-03-045	Disaster Management & Emergency Response	37,950	36400
50-03-046	Rental Income Tax	0	356084.9
50-03-047	Gender Mainstreaming	54,800	44100
50-03-048	Water Bottling Expenses	74,340	22185.4
50-03-049	Environmental Conservation	143,610	167708
50-03-050	Cloud Hosting Service & Renewal Fees	182,000	0
	Sub Total	94,377,974	85,922,807



Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

12. Repairs & Maintenance Expenses

An analysis on repairs and maintenance expenses indicated that the University incurred a total of Kes. 11,273,031 in 2023/2024 FY compared to Kes. 6,560,739 in 2022/2023 FY. Included in the current expenditure is Kes. 7,812,318 on general repairs, Motor vehicle repairs at Kes. 1,892,583 while machinery repairs took Kes. 1,385,650 as indicated below;

Repairs & Maintenance Expenses		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-04-001	General Repairs	7,812,318	3,713,300
50-04-002	Motor Vehicle repairs & Maintenance	1,892,583	2,037,247
50-04-003	Machinery repairs	1,385,650	786,693
50-04-004	Internal Fencing/Repairs	0	23,500
50-04-005	Computer Repairs & Maintenance	182,480	0
	Sub Total	11,273,031	6,560,739

13. Contracted Services

The University contracted various companies and organizations to offer various services during 2023/2024 FY. The services included insurance, legal services and cleaning and sanitary. During the period under review, the University incurred a total of Kes. 11,869,632 on various contracted services compared to Kes. 7,101,926 in the 2022/2023 financial year. Included in this was expenditure of Kes. 3.3 million on legal representation for various on-going court cases and Kes. 4.1 million for outsourced cleaning services. Details of expenditure on contracted services are as follows;

Contracted Services		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-05-001	Legal Charges	3,301,882	3,573,845
50-05-002	Cleaning & Sanitary Services	4,147,389	1,417,480
50-05-003	General Insurance -Property	997,479	470,138
50-05-004	Vehicles Insurance	996,787	915,870
50-05-006	Other Contracted Professional Services	2,426,094	724,593
	Sub Total	11,869,632	7,101,926

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

14. Academic & Research Expenses

The University's core mandate is teaching and research. During the period under review, a total of Kes. 98,995,099 was incurred compared to Kes. 102,754,404 in similar period of 2022/2023 FY. Included in academic and research expenses was Kes. 26,572,415 for part time lecturers and Kes. 5,517,432 for graduation expenses. In addition the University paid Kes. 14,554,800 on teaching practice and industrial attachment during the period. Detailed breakdown on academic and research expenses are as follows;

Academic & Research Expenses		2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Code	Description	Kes.	Kes.
50-06-001	Part-time Teaching Costs	26,572,415	35,914,062
50-06-002	Graduation Expenses	5,517,432	9,866,701
50-06-003	Teaching Materials	208,865	468,700
50-06-004	Laboratory Materials & Reagents	400,479	157,089
50-06-005	Teaching Practice & Industrial Attachment	14,554,800	16,399,125
50-06-006	Academic Field Trips	2,923,444	2,642,734
50-06-007	Internal Research Grant Expenses	299,500	2,846,467
50-06-008	External Research Grants Expenses	8,771,267	2,110,050
50-06-009	Internet Services	7,635,258	7,270,567
50-06-010	Subscription to e-Journals	1,837,250	1,015,000
50-06-011	Academic Exhibitions	533,550	174,855
50-06-012	Conference & Seminars	6,761,251	9,423,797
50-06-014	Senate Expenses	59,700	554,000
50-06-015	International Travel	338,179	1,552,060
50-06-016	KUCCPS Expenses	6,039,000	156,000
50-06-017	CUE Expenses	5,672,000	3,481,000
50-06-018	Examination Stationery	3,983,528	3,330,269
50-06-019	Graduation Gowns	464,000	62,280
50-06-020	External Examiners (Exam Moderation)	4,183,957	3,686,830
50-06-021	Community Outreach & Extension Services	460,255	0
50-06-022	Open & Distance Learning	154,300	681,283
50-06-025	Mentorship Programme	322,050	136,000
50-06-027	Newspapers, Journals & Videos	231,500	311,685
50-06-028	Botanical Garden Expenses	85,019	0
50-06-029	Curriculum Review & Development	986,100	513,850
	Sub Total	98,995,099	102,754,404

**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

15. Students Welfare Expenses

Over the years, the University Management Board has made a deliberate decision to improve students' welfare through a number of ways, among them, Students' bursaries and work-study programmes. During the period under review, the University incurred a total of Kes. 10,193,863 compared to Kes. 8,958,304 in similar period 2022/2023 fiscal year. Current expenditure includes Kes. 1.6 million for Students' Work-study and Kes.1 million for students' bursaries in support of needy students in the University during the year. Detailed students' welfare expenses are as follows;

Students Welfare		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-07-001	Students Medical Supplies	3,743,431	2,554,399
50-07-002	Students Work-study	1,642,800	1,857,450
50-07-003	Games & Sports Expenses	1,214,000	1,383,000
50-07-004	Students Choir/Drama Festivals	544,350	667,100
50-07-005	Cultural Week	400,000	200,000
50-07-007	Students' Counseling Expenses	476,800	337,650
50-07-008	Students' Bursaries	1,000,000	1,000,000
50-07-009	Students Miscellaneous A/c	1,057,100	813,850
50-07-010	Subscription to DSTV	115,382	144,855
	Sub Total	10,193,863	8,958,304

16. Council Expenses

The University approves formal and transparent remuneration policies to Council members. These policies clearly stipulate remuneration elements such as sitting allowance, transport reimbursements and honorarium to the Chancellor and members of Council in line with the industry. All Council members are paid a taxable sitting allowance of Kes.20,000 for every meeting attended. During the period under review, the University Council held various meetings in line with their mandate as stipulated in the University statutes and the Charter. During the period under review, the University incurred a total of Kes. 12,192,092 on compensation to Council members compared to Kes. 10,938,033 in similar period of 2022/2023 FY as detailed below;

Council Expenses		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
Code	Description	Kes.	Kes.
50-08-001	Council Sitting Allowance	4,400,000	3,660,000
50-08-002	Council Mileage Allowance	3,039,592	2,571,775
50-08-003	Council Honoraria	565,500	721,258
50-08-004	Council Accommodation Allowance	3,913,000	3,731,000
50-08-005	Council Lunch Allowance	274,000	254,000
	Sub Total	12,192,092	10,938,033

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

IPSAS 20 requires an entity to disclose the existence of related party relationships where control exists, and the disclosure of information about transactions between the entity and its related parties in certain circumstances. During the year under review, remuneration to Council members was the main related party transactions where the members were remunerated based on meetings attendance. Details of council remuneration to individual council members are as indicated below;

Payee	Sitting Allowance	Mileage Allowance	Lunch Allowance	Accommodation	Honorarium	Gross Earnings
Dr. Ken Nyaundi	20,000	8,179	0	0	0	28,179
Mr. Lemein Korei	580,000	363,112	38,000	436,800	565,500	1,983,412
Ms. Sereya Maitoyo	680,000	531,713	42,000	637,000	0	1,890,713
Dr. Charles Malalah	600,000	512,437	32,000	546,000	0	1,690,437
Dr. Frank Ndakala	640,000	322,299	42,000	582,400	0	1,586,699
Mr. Joseph Kiarrii	400,000	304,253	30,000	345,800	0	1,080,053
Ms. Marie Mugo	700,000	417,723	44,000	655,200	0	1,816,923
Mr. Paul Bore	640,000	513,376	40,000	582,400	0	1,775,776
Ms. Susan Ngigi	140,000	66,500	6,000	127,400	0	339,900
Total	4,400,000	3,039,592	274,000	3,913,000	565,500	12,192,092

17. Finance Charge

Finance charge is any fee representing the cost of credit, or the cost of borrowing. It is interest accrued on, and fees charged for, some forms of credit. It includes not only interest but other charges as well, such as financial transaction fees. The University had no outstanding loan balance in 2023/2024 FY hence no expenditure was incurred.

18. Depreciation & Amortization

The University policy is to apply full year depreciation at the year of purchase with no depreciation on disposal of an asset. The University provided a total of Kes. 32,645,292 as depreciation and amortization on University assets in the 2023/2024 FY compared to Kes. 48,329,609 in the 2022/2023 financial year. Included in provisions for depreciation and amortization for the 2023/2024 FY was Kes. 26,500,078 on PPE, Kes. 962,733 on library books and amortization on ERP at Kes. 5,182,480 for intangible assets. Break down of depreciation and amortization expenses are as detailed below;

Depreciation & Amortization		2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Code	Description	Kes.	Kes.
50-10-001	Depreciation on PPE	26,500,078	40,391,078
50-10-002	Depreciation on Library Books	962,733	2,756,051
50-10-003	Amortization of Intangible Assets	5,182,480	5,182,480
	Sub Total	32,645,292	48,329,609

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

19. Bad Debts & Provisions

Bad debt is an expense that a business incurs once the repayment of credit previously extended to a customer is estimated to be uncollectible. Bad debt is a contingency that must be accounted for by all businesses that extend credit to customers, as there is always a risk that payment will not be received. As a result, a provision for bad and doubtful debts needs to be included in the income statement. Laikipia University made a general provision for bad and doubtful debts on receivables from exchange transaction at the close of 2022/2023 FY. Irrecoverable debts are also written off as an expense in the income statement. Details of this line item are as follows;

	2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Bad Debts	Kes.	Kes.
(i) Provision for Bad Debts		
Receivables from Exchange Transactions	267,396,010	202,203,782
Less Provision for Bad & Doubtful Debts @ 10%	26,739,601	20,220,378
Net Receivables from Exchange Transactions	240,656,409	181,983,404
Receivables from Non- Exchange Transactions	56,488,363	11,688,825
Total Net Receivables	297,144,772	193,672,229
Increase/(Decrease) in Provision for Bad Debts	6,519,223	535,374
(ii) Bad Debts Written-off	(30.06.2024)	(30.06.2023)
Item	Kes.	Kes.
Farm Dues	0	0
Bookshop Dues	0	0
Medical Dues	0	0
Imprests	0	0
Total Debts Written off	0	0

20. Loss on Assets Disposal/De-recognition

The University policy on information assets (Laptops & Ipads) allows an officer leaving the University to leave with the information asset they have been using subject to payment of a charge of a percentage on cost as stipulated in the policy. The term for previous University Council members expired and were allowed to leave with the information assets as per the policy. The University de-recognized one (1) Ipad at Kes. 81,499 from one council member with net book value of Kes. 32,600 leading to a loss on de-recognition of Kes. 8,100 as indicated below

Gain/(Loss) on Assets Disposal/De-recognition

Computers & Accessories	Cost	Accumulated Depreciation	Net Book Value	Sale/ Receipt	Gain/(Loss)
Asset Description	Kes.	Kes.	Kes.	Kes.	Kes.
Ipad 2020 8th Generation	81,499	48,899	32,600	24,500	(8,100)
Total	81,499	48,899	32,600	24,500	(8,100)

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

21. Farm Operations

The University is in the process of revitalizing the Farm. During the period under review, Farm incurred a total of Kes. 15.6 million as cost of inputs. The University farm recorded a deficit of Kes. 6,496,376 compared to a surplus of Kes. 4,721,592 in similar period of the 2022/2023 FY as indicated below;

**Farm Financial Performance
For the Year Ended 30th June, 2024**

Details	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
	Kes.	Kes.
Sales	9,465,032	13,824,210
Less:		
Cost of Sales	15,607,527	8,976,402
Operating Expenses	353,881	126,216
Surplus/(Deficit)	(6,496,376)	4,721,592

22. Catering Operations

The University Catering Unit recorded a deficit of Kes. 8,341 at the close of the financial period ended 30th June 2024 compared to a surplus of Kes. 1,050,087 in similar period of the 2022/2023 fiscal year as indicated below;

**Catering Financial Performance
For the Year Ended 30th June, 2024**

Details	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
	Kes.	Kes.
Sales	10,169,144	8,678,284
Less:		
Cost of Sales	8,766,329	7,017,110
Operating Expenses	1,411,156	611,087
Surplus/(Deficit)	(8,341)	1,050,087

23. Bookshop Operations

The bookshop reported a surplus of Kes. 234,974 during the period as indicated below;

**Bookshop Financial Performance
For the Year Ended 30th June, 2024**

Details	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
	Kes.	Kes.
Sales	1,370,347	1,578,435
Less:		
Cost of Sales	1,115,318	1,260,908
Operating Expenses	20,055	37,967
Surplus/(Deficit)	234,974	279,560

**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

24. Cash & Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Public Finance Management regulations of 2015, section 90 (3) states that an Accounting Officers shall ensure any discrepancies noted during bank reconciliation exercise, are investigated immediately and appropriate action taken including updating the relevant cash books.

The University reported cash and cash equivalents of Kes. 66,393,714 at the close of financial period ended 30th June 2024 compared to Kes. 90,175,164 at the close of financial year ended 30th June 2023. Included in cash and cash equivalent for 2023/2024 FY was cash on hand at Kes. 513,917 out of which Kes. 511,860 were receipted money orders held at the post office awaiting clearance. Breakdown of cash and cash equivalents at the close of period ended 30th June, 2024 was as detailed below;

Cash & Cash Equivalents

Code	Bank Account Name	Account Number	2023/2024 (30.06.2024) Kes.	2022/2023 (30.06.2023) Kes.
10-01-001	KCB Main Account	1102161683	12,723	84,391,579
10-01-002	KCB Nakuru Account	1101909080	5,613,869	290,897
10-01-003	KCB Development Account	1120980534	2,165,032	211,226
10-01-004	KCB Research Account	1125437723	6,414,199	7,857
10-01-005	KCB Farm Account	1102161551	255,349	34,633
10-01-006	KCB Catering Account	1102168688	142,022	29,632
10-01-007	KCB Bookshop Account	1102161829	1,512,624	132,255
10-01-008	KCB - Mararal Fees Account	1135920710	*	182,982
10-01-009	KCB - Mararal CDF Account	1134913397	*	237,606
10-01-010	Co-operative Fees Account	1129025576702	*	116,646
10-01-011	Co-operative Bank Fees Account	1129501778000	5,437,323	222,061
10-01-012	Co-operative Bank Nyahururu Fees Account	1129037271600	*	6,637
10-01-013	Co-operative Bank Naivasha Account	1129037293400	*	146,098
10-01-014	Co-operative Bank - Marathon Account	1120036453400	*	98,533
10-01-015	Co-operative Bank - Gratuity/Caution Money Account	1100036453400	42,214,279	946,506
10-01-016	Equity Fees Account	160295840456	253,511	900,604
10-01-017	Equity Chancellors & Alumni Endowment Fund Account	160264998833	1,596,640	1,296,820
10-01-018	E-Citizen	222222	262,226	0
	Total		65,879,797	89,252,570
	Cash in Hand		513,917	922,594
	Total		66,393,714	90,175,164

NB:

Bank Accounts marked with * were closed during the period and their balances transferred to other University accounts

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

Excluded in the cash and cash equivalent balances were direct deposits amounting to Kes. 4,536,828 remaining un-receipted at the close of 2023/2024 financial year. The source of the direct deposits were receipts from students and other customers but their details were missing hence we were not able to do the receipting. The deposits therefore forms part of bank reconciliation statement as reconciling items but they disappear once they are receipted. Details of direct deposits by bank account are as indicated below;

Summary of Direct Deposits as at 30.06.2024

Code	Bank Account	Account No.	2023/2024 (Kes.)	2022/2023 (Kes.)
10-01-001	KCB Main Account	1102161683	208,780	105,048
10-01-002	KCB Nakuru Account	1101909080	2,170,951	1,473,629
10-01-004	KCB Research Account	1125437723	23500	0
10-01-005	KCB Farm Account	1102161551	0	484,831
10-01-006	KCB Catering Account	1102168688	4,000	161,250
10-01-007	KCB Bookshop Account	1102161829	10100	0
10-01-011	Co-operative Bank Fees Account	1129501778000	1,374,501	589,115
10-01-012	Co-operative Bank Nyahururu Fees Account	1129037271600	0	340,700
10-01-016	Equity Fees Account	160295840456	744,996	567,379
10-01-018	Mpesa Paybill	829850	0	40
			4,536,828	3,721,992

25. Accounts Receivables

The University recognizes revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the University and when specific criteria have been met for each of the University's activities Revenue from exchange transactions for the University includes tuition and related fees which are recognized prorata over the relevant period. Revenue from tuition fees are accounted for over the period in which they relate upon invoicing. Any amount remaining un-received at the close of accounting period is recorded as a receivable.

During the period under review, the University recorded receivables amounting to Kes. 297,144,772 net of provision for bad and doubtful debts. Included in this were students fees balance amounting to Kes. 191,429,469 at the close of financial year ended 30th June, 2024. Deposits and prepayments relate meter deposits held with Kenya Power and Lighting Company at Kes. 1,587,604, Rent Deposits for former satellite campuses in Nairobi, Naivasha and Nyahururu at Kes. 2,045,180 and fuel cards deposits with Oil-Libya at Kes. 1,012,000.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2023

In addition, receivables included an amount of Kes. 63,586,482 from former collaborating colleges (Eldoret, Nakuru and Embu) which have been outstanding for a long time due to recoverability challenges. The highest debt was from Embu College collaboration amounting to Kes. 57,005,320. This includes Kes. 52,873,000 for fees receivable and Kes. 4,132,320 for Director's salary. The University has been making follow-up with the Campus but with little progress. The matter was referred for arbitration and an arbitrator appointed by the Chartered Institute of Arbitrators and the process is still on-going.

In addition, receivables include accrued recurrent capitation from the Ministry of Education at Kes. 56,488,363 for the month of June 2024 that had not been received at the close of financial period. The University does not accrue Government grants unless there is a reasonable assurance that the entity will comply with any condition attached to the grant and that the grant will be received.

Details of receivables during the period as indicated below;

Accounts Receivable

		2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
		Kes.	Kes.
(i)	Receivable from Exchange Transactions		
Code	Details		
10-02-001	Student Debtors (Fee Balances)	191,429,469	127,236,515
10-02-002	Fee Receivable Egerton University	1,862,823	1,862,823
10-02-004	Eldoret Campus (Elgon View) Students' Account	2,794,068	2,794,068
10-02-006	Embu Campus Students' Account	52,873,000	52,873,000
10-02-007	Nakuru Campus Director's Salary Account	3,787,094	3,787,094
10-02-008	Embu Campus Director's Salary Account	4,132,320	4,132,320
10-02-009	Farm Debtors	491,056	353,545
10-02-010	Bookshop Debtors	13,297	13,297
10-02-011	Medical Debtors	178,407	201,926
10-02-012	Salary Advance	84,754	83,448
10-02-013	Rent & Leasehold	2,239,025	1,974,250
10-02-014	Imprest Debtors (Un-surrendered Imprests)	455,168	443,353
10-02-015	General Debtors	2,301,746	1,719,860
10-02-016	Deposits & Pre-payments	4,644,784	4,644,784
10-02-018	Students' Union Receivable	109,000	83,500
	Total	267,396,010	202,203,782
10-03-001	Less Provision for Bad & Doubtful Debts @ 10%	26,739,601	20,220,378
	Net Receivable from Exchange Transactions	240,656,409	181,983,404
(ii)	Receivable from Non-exchange Transactions		
	Details		
10-04-001	GoK Recurrent Capitation Receivable	56,488,363	0
10-04-002	GoK Development Capitation Receivable	0	11,688,825
	Total Net Receivables	297,144,772	193,672,229

Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

26. Inventories

The accounting for inventory involves determining the correct unit counts comprising ending inventory, and then assigning a value to those units. The University conducts a physical count/stock taking on inventories held at the close of each financial year. The resulting costs are then used to record an ending inventory value for recognition in the statement of financial position. The University recorded closing inventory of Kes. 16,088,513 at the close of the year ended 30th June 2024 compared to Kes. 15,671,678 in 2022/2023 FY as follows;

Inventory Stores Summary By Classification as at 30th June, 2024

Code	Inventory Category	2023/2024	2022/2023
		(30.06.2024)	(30.06.2023)
		Kes.	Kes.
10-05-001-01	Office Stationery	1,051,047	1,346,830
10-05-001-02	Computer Stationery	1,335,670	1,530,450
10-05-001-03	Cleaning Materials	3,150	295,657
10-05-001-04	Science Lab. Materials & Reagents	1,228,486	585,979
10-05-001-05	Motor Vehicle Tools & Spare Parts	395,900	391,250
10-05-002-01	Carpentry Materials	590,523	1,332,590
10-05-002-02	Electrical Appliances	346,205	853,335
10-05-002-03	Masonry Materials	384,405	982,450
10-05-002-04	Painting Materials	1,130,463	647,301
10-05-002-05	Plumbing Materials	731,673	1,089,206
10-05-002-06	Welding Materials	160,660	1,526,657
10-05-003-01	Medical Drugs & Apparatus	1,999,412	2,343,773
10-05-004-01	Cattle Feeds & Drugs	2,191,063	359,000
10-05-004-02	Poultry Feeds & Drugs	261,490	408,870
10-05-004-03	Pig Feeds & Drugs	270,720	60,040
10-05-004-05	Wheat Crop Inputs	2,633,699	959,500
10-05-004-06	Maize/Silage Inputs	177,500	393,600
10-05-004-07	Oat Crop Inputs	297,500	0
10-05-004-09	Harvested Crop/Seeds	527,250	307,250
10-05-005-01	Catering Dry & Perishable Foodstuff	89,380	99,182
10-05-006	Bookshop Inventory	282,317	158,757
	Total	16,088,513	15,671,678

NB

Included in the harvested crop/seeds were five (5) bags of wheat seeds as recorded in the stores bin card in 2022/2023 FY but remains unaccounted for at the close of the accounting period. In 2022/2023 FY Farm Department had a closing inventory of 138 bags valued at Kes. 310,500 as recorded in the bin cards. However, actual physical stock available was 133 bags leading to a deficit of 5 bags valued at a cost of Kes. 11,250 (Kes. 2,250 per bag) and estimated sale value of Kes. 25,000 (Kes. 5,000 per bag). In addition the current harvest had one (1) unaccounted for bag of wheat with an estimated cost of Kes. 4,500 as indicated on the bin card.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

27. Property, Plant & Equipment (PPE)

The University policy on recognition and measurement of Property, Plant and Equipment (PPE) is to initially report them at cost. Subsequently PPEs are shown at revalued amounts, based on periodic, but at least every five years valuations by external independent valuers less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The University conducted a revaluation in May 2019 leading to a revaluation gain on our assets by Kes. 564 million. Valuations were made on the basis of the recent market transactions on arm's length terms (i.e. open market value). The book values of the properties were adjusted to the revaluations and the resultant surplus was treated as un-realized gain and recognized in the revaluation reserve under university reserves /accumulated fund. A transfer is made for excess depreciation amounting to Kes. 16,823,542 as a result of un-realized gain on revaluation and amortized annually between revaluation and revenue reserves.

During the period under review, the University recorded value of property, plant and equipment of Kes. 2,502,551,181 at cost and revalued amounts. Included in the PPE is an amount of Kes. 611,088,000 for all University's parcels of land. This comprises two parcels of land L.R. No. 8808/1 (20 acres) with book value of Kes. 12,900,000 and L.R. No.2912/12 (927 acres) with a book value of Kes 503,600,000. Further, the University has 16 parcels of land in Nyahururu town. However, the sixteen (16) parcels of land are still in the name of Egerton University but the process is underway to amalgamate into one (1) parcel of land in the Name of Laikipia University.

In addition, Laikipia University owns two parcels of land in Rumuruti and Maralal totaling to 396 acres, land reference numbers 30170 and 32376 respectively. This comprises 100 acres allocated by defunct Town Council of Rumuruti and 296 acres allocated by the defunct County Council of Samburu. The two (2) parcels of land were valued by Ministry of Lands and Physical Planning at Kes. 34 million and Kes. 30 million for Rumuruti and Maralal land respectively.

Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2023

Also included under the Property Plant and Equipment during the year is work-in-progress amounting to Kes. 1,153,481,840 for various capital projects ongoing in the University. Some projects are complete and in use but not capitalized due to lack of completion certificates. The University Management Board is following up the project consultants to finalize on the projects and have completion certificates for capitalization.

Additional PPE during the 2023/2024 financial amounted to Kes. 45,718,497. This comprises of additional Work-in-Progress on capital projects at Kes. 36,753,783 and acquisition of other PPEs at Kes. 8,964,713.

Accumulated depreciation at the close of 2023/2024 financial year was Kes. 188,600,295. Included in this was accumulated depreciation brought forward 1st July, 2023 at Kes. 162,149,116 less accumulated depreciation on asset de-recognition of Kes. 48,899 and depreciation charge for the year on the University assets at Kes. 26,500,078.

Net Book Value on University Property, Plant & Equipment stood at Kes. 2,313,950,886 as indicated on the movement below;



Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

Movement on Property, Plant and Equipment

Cost/Valuation	Land	Buildings	Work-in-Process	Plant Machinery & Tractors	Motor Vehicles	Equipment	Furniture & Fittings	Computers & Accessories	Total
	Kes .	Kes .	Kes .	Kes .	Kes .	Kes .	Kes .	Kes .	Kes .
As at 1 st July, 2022	611,088,000	587,413,958	1,005,822,539	9,741,235	27,710,054	48,028,369	12,307,295	36,086,153	2,338,197,603
Disposal/De-recognition	0	0	0	0	0	0	0	167,498	167,498
Additions	0	0	110,905,517	52,400	0	3,079,450	0	4,846,712	118,884,079
Capitalization	0	0	0	0	0	0	0	0	0
As at 30th June, 2023	611,088,000	587,413,958	1,116,728,057	9,793,635	27,710,054	51,107,819	12,307,295	40,765,366	2,456,914,183
Accumulated Depreciation									
As at 1 st July, 2022	0	40,460,109	0	2,657,284	22,474,150	30,411,987	5,129,700	20,691,807	121,825,036
Accumulated Depreciation on Assets Disposed/Derecognized	0	0	0	0	0	0	0	66,998	66,998
Accumulated Depreciation Written off on Revaluation	0	0	0	0	0	0	0	0	0
Depreciation Charge for the Year	0	14,685,349	0	979,364	4,813,317	10,221,564	1,538,412	8,153,073	40,391,078
As at 30th June, 2023	0	55,145,458	0	3,636,648	27,287,467	40,633,550	6,668,112	28,777,882	162,149,116
Net Book Value as at 30th June, 2023	611,088,000	532,268,500	1,116,728,057	6,156,987	422,587	10,474,268	5,639,183	11,987,484	2,294,765,068
Cost/Valuation									
As at 1 st July, 2023	611,088,000	587,413,958	1,116,728,057	9,793,635	27,710,054	51,107,819	12,307,295	40,765,366	2,456,914,183
Disposal/De-recognition	0	0	0	0	0	0	0	81,499	81,499
Additions	0	0	36,753,783	160,000	0	6,111,387	689,985	2,003,341	45,718,497
Capitalization	0	0	0	0	0	0	0	0	0
As at 30th June, 2024	611,088,000	587,413,958	1,153,481,840	9,953,635	27,710,054	57,219,206	12,997,280	42,687,208	2,502,551,181
Accumulated Depreciation									
As at 1 st July, 2023	0	55,145,458	0	3,636,648	27,287,467	40,633,550	6,668,112	28,777,882	162,149,116
Accumulated Depreciation on Assets Disposed/Derecognized	0	0	0	0	0	0	0	48,899	48,899
Accumulated Depreciation Written off on Revaluation	0	0	0	0	0	0	0	0	0
Depreciation Charge for the Year	0	14,685,349	0	995,363	422,588	3,996,212	1,624,660	4,775,906	26,500,078
As at 30th June, 2024	0	69,830,807	0	4,632,011	27,710,054	44,629,762	8,292,772	33,504,889	188,600,295
Net Book Value as at 30th June, 2024	611,088,000	517,583,151	1,153,481,840	5,321,624	0	12,589,444	4,704,508	9,182,319	2,313,950,886



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

28. Library Books

The University recorded library books at a cost of Kes. 13.8 million at the beginning of 2023/2024 FY. During the year under review, acquisitions of library books amounting to Kes. 0.46 million was recorded raising the new cost of library books to Kes. 14.2 million. The University made a provision for depreciation of Kes. 0.96 million at the rate of 20% as per depreciation policy. Net book value stood at Kes. 2.69 million as at 30th June, 2024 compared to Kes. 3.19 million on 30th June, 2023. Movement in Library books during the year is as recorded below;

Library Books Movement for the Period Ended 30.06.2024

A	B	C	D	E	F	G	H	I	J
Item Description	Cost & Valuation b/f (01.07.2023)	Additions/ Capitalization 2023/2024	Disposal/ De-recognition 2023/2024	Cost & Valuation c/f (30.06.2024)	Cumulative Depreciation b/f (01.07.2023)	Depreciation Charge 2023/2024	Cumulative Depreciation c/f (30.06.2024)	NBV/ Balance c/d 30.06.2024	NBV/ Balance c/d 30.06.2023
Library Print Books	13,280,256	0	0	13,280,256	10,390,837	770,377	11,161,214	2,119,042	2,889,419
Library E-Books	500,000	461,782	0	961,782	200,000	192,356	392,356	569,426	300,000
Totals	13,780,256	461,782	0	14,242,038	10,590,837	962,733.38	11,553,570	2,688,468	3,189,419



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

29. Intangible Assets

IPSAS 31 prescribes the accounting treatment for intangible assets that are not dealt with specifically in any other IPSAS. It requires an entity to recognize an intangible asset if, and only if, specified criteria are met. The Standard also specifies how to measure the carrying amount of intangible assets and requires specified disclosures about intangible assets. The accounting treatment for an intangible asset is to record the asset as a long-term asset and amortize the asset over its useful life, along with regular impairment reviews.

During the period under review, the University recorded intangible assets with a cost of Kes. 35,325,620 at the close of period ended 30th June 2024. Included in this was Fuel Tracking Management System at a cost of Kes. 350,000 and ABN Unisol software at a cost of Kes. 24,812,400. Accumulated amortization at the close of 2023/2024 financial year was Kes. 10.8 million. Details of intangible assets are as indicated below;

Intangible Assets Movement for the Period ended 30.06.2024

	Item Description	Cost & Valuation b/f (01.07.2023)	Disposal / De-recognition 2023/2024	Additions 2023/2024	Cost & Valuation c/f (30.06.2024)	Accumulated Amortization b/f (01.07.2023)	Amortization Charge 2023/2024	Accumulated Amortization c/f (30.06.2024)	NBV/ Balance c/d 30.06.2024	NBV/ Balance c/d 30.06.2023
(i)	ERP Software (WIP)									
	Power Campus (World Span)	9,413,220	0	0	9,413,220	0	0	0	9,413,220	9,413,220
	Total ERP WIP	9,413,220	0	0	9,413,220	0	0	0	9,413,220	9,413,220
(ii)	ERP Software -Capitalized	Cost & Valuation b/f (01.07.2023)	Disposal / De-recognition 2023/2024	Capitalization 2023/2024	Cost & Valuation c/f (30.06.2024)	Accumulated Amortization b/f (01.07.2023)	Amortization Charge 2023/2024	Accumulated Amortization c/f (30.06.2024)	NBV/ Balance c/d 30.06.2024	NBV/ Balance c/d 30.06.2023
	aSc Software (Exam/Timetabling 2017/18)	750,000	0	0	750,000	600,000	150,000	750,000	0	150,000
	ABN UniSol.	24,812,400	0	0	24,812,400	4,962,480	4,962,480	9,924,960	14,887,440	19,849,920
	Fuel Tracking Management System	350,000	0	0	350,000	70,000	70,000	140,000	210,000	280,000
	Total ERP Software -Capitalized	25,912,400	0	0	25,912,400	5,632,480	5,182,480	10,814,960	15,097,440	20,279,920
	Totals	35,325,620	0	0	35,325,620	5,632,480	5,182,480	10,814,960	24,510,660	29,693,140



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

30. Biological Assets

International Public Sector Accounting Standards (IPSAS) 27) prescribe the accounting treatment of biological assets. The standards generally require biological assets to be measured at fair value less costs to sell. The University recorded a total of Kes. 4,072,593 on biological assets at the close of year ended 30th June 2024 compared to Kes. 3,804,600 in 2022/2023 FY as detailed below;

Biological Assets	2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Detail	Kes.	Kes.
Cattle	1,978,000	2,382,000
Sheep	785,000	700,000
Poultry	200,760	397,600
Pigs	450,500	325,000
Silage Maize Crop	658,333	0
Total	4,072,593	3,804,600

Changes in biological assets were as a result new births and growth in value at Kes. 8,156,833. This included growth of wheat crop in field at Kes. 5,040,000, Silage maize crop at Kes. 1,408,333 and Oat in field at Kes. 672,000.

Reduction in biological was as a result of death and loss of value due to old age and other factors. During the period under review, the University slaughtered animal for sale amounting to Kes. 1,524,200 and harvested crop in field valued at Kes. 6,462,000. The University also lost animals as a result of death amounting to Kes. 128,880. Details of movement in Biological assets are as indicated below

Movement in Biological Assets								
Category	Bal b/d 01.07.2023	Purchases	Increase due to growth/birth	Decrease in Value due to Loss	Loss due to Deaths	Sales/Dis posal/Sla ughter/D onations	Transfers /Harvest	Bal c/d (30.06.2024)
Cattle	2,382,000	0	245,000	30,000	84,000	535,000	0	1,978,000
Sheep	700,000	0	150,000	0	65,000	0	0	785,000
Poultry	397,600	297,500	262,500	0	21,140	735,700	0	200,760
Pigs	325,000	0	379,000	0	0	253,500	0	450,500
Silage Maize Crop	0	0	1,408,333	0	0	0	750,000	658,333
Oats in Field	0	0	672,000	0	0	0	672,000	0
Wheat Crop in Field	0	0	5,040,000	0	0	0	5,040,000	0
Total	3,804,600	297,500	8,156,833	30,000	170,140	1,524,200	6,462,000	4,072,593



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

31. Accounts Payables

During the year under review, the University recorded payables totaling to 434,726,200 at the close of the financial year ended 30th June, 2024. This was a decrease in payables by 18.6% from Kes. 533.78 million in 2022/2023 to Kes. 434.73 million in 2023/2024 FY. Included in payables is Kes. 34.12 million owed to suppliers of goods and services accruing from current and previous periods. In addition, payables included Part-time teaching costs at Kes. 88.56 million, students' caution money at Kes. 23.7 million and Pre-paid/Excess fees at Kes. 67.1 million. Amount owing to capital contractors for Kes. 110.9 million is majorly retention monies payable upon completion of the ongoing capital projects.

Pension fund include Kes. 17.6 million accruing from previously implemented Collective Bargaining Agreements (CBAs) and June, 2024 pension amounting to Kes. 8.4 million un-cleared at the close of accounting period. In addition, payables for Kenya Revenue Authority comprises of income tax for part-time lecturers at Kes. 0.2 million and Pay as You Earn (PAYE) for the month of June 2024 amounting to Kes. 14.7 million.

Most of the above payables have been pending for some time due to financial constraints. However, the University is committed to reduce these liabilities and a plan has been put in place to reduce the payables.



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

Excluded in Payables are contingent liabilities during the period on pending court cases with estimated financial risk. These can only be included in the liabilities once they are determined by the courts and all avenues of appeal have been exhausted. Details of accounts payables at the close of the accounting period ended 30th June, 2024 are as follows;

Accounts Payables

	2023/2024	2022/2023
	(30.06.2024)	(30.06.2023)
(i) Short term Payables	Kes.	Kes.
Details		
Trade Payables	34,119,203	49,647,851
Contractors -Capital Projects	110,897,737	114,916,956
Part-time Teaching Costs	88,858,073	165,674,877
Students Caution Money	23,662,234	20,739,464
Excess Fees (Prepaid Tuition)	67,116,618	47,765,665
Laikipia University Students' Association (LUSA)	4,253,492	3,477,957
Alumni Account	5,788,011	5,078,511
HELB Control Account	3,854,082	813,337
Bursaries Control Account	5,566,827	4,178,988
Accrued Collective Bargaining Agreements (CBAs)	7,889,420	7,889,420
Pension Fund	25,915,333	35,061,671
Kenya Revenue Authority Taxes Payable	25,962,048	26,982,900
Accrued Payroll Deductions	27,042,015	49,947,841
Accrued Net Gratuity	72,180	72,180
Accrued Security Expenses	0	133,175
Accrued Sabbatical Expenses	0	295,422
Rent Deposits Payables	50,000	50,000
Cash-in-Transit	806,437	776,317
Universities Funding Control Account	2,633,590	0
External Examining Bodies	238,900	279,900
Total	434,726,200	533,782,434
(ii) Long term Payables	Kes.	Kes.
Bank Loan	0	0
Total	0	0
Total Payables	434,726,200	533,782,434



**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

32. Sustainability of Service and Movement in Working Capital

International Public-Sector Accounting Standards (IPSAS) 1, Paragraph 38 provides that when preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. Financial statements shall be prepared on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. To measure the ability of an organization to continue as a going concern, an analysis of the working capital for the University is conducted in each accounting period.

Working Capital is the difference between a company's current assets and current liabilities on its balance sheet. It is a measure of a company's liquidity and its ability to meet short-term obligations, as well as fund operations of the business. It is the capital of a business which is used in its day-to-day trading operations, calculated as the current assets minus the current liabilities. The ideal position is to have more current assets than current liabilities and thus have a positive net working capital balance.

Laikipia University financial statements for the year ended 30th June, 2024 have been prepared in accordance with IPSAS accrual reporting framework. The University Management has assessed the University's ability to continue as a going concern and there is no sign of liquidation or ceasing to continue as a going concern. However, the University has been operating on a negative working capital for an extended period of time indicating that it is struggling to meet some of its financial obligations as they fall due.

During the year under review, the University recorded a negative working capital of Kes. 55.1 million compared to Kes. 234.3 million in the 2022/2023 financial year. The reduction in negative working capital is as a result of implementation of new funding model during the period. Computation of net working capital is as indicated below;



Notes to the Financial Statements (Continued)

For the Year Ended 30th June, 2024

	2023/2024 (30.06.2024)	2022/2023 (30.06.2023)
Working Capital		
Current Assets (CA)	Kes.	Kes.
Cash & Cash Equivalents	66,393,714	90,175,164
Receivables from Exchange Transactions	297,144,772	193,672,229
Inventory	16,088,513	15,671,678
Total Current Assets	379,626,999	299,519,070
Current Liabilities		
Accounts Payables	434,726,200	533,782,434
Total Current Liabilities	434,726,200	533,782,434
Net Working Capital (CA-CL)	(55,099,201)	(234,263,364)

33. Purchase of Non-current Assets

For purposes of cash flow statement, all assets acquired during the period are accounted for as use of funds under cash flows on investing activities. It is the money paid out to acquire investment in assets. During the period under review, the University incurred a total of Kes. 9,426,495 for purchase of non-current assets compared to Kes. 8,707,543 in the 2022/2023 FY. Included in Non-current Assets acquired during the period was assorted equipment at Kes. 6.1 million and Computers & Accessories at Kes. 2.0 million as detailed below;



Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024

Purchase of Non-Current Assets

	2023/2024 Cumulative to 30.06.2024	2022/2023 Annual Report (30.06.2023)
Details	Kes.	Kes.
(i) Purchase of Equipment		
Office Equipment	369,885	2,581,000
Tuition Equipment	2,105,000	0
Medical Equipment	1,050,995	0
Science Lab Equipment	1,127,716	0
Kitchen Equipment	164,400	170,450
Water Supply Equipment	534,105	0
Sports Equipment	759,286	0
Public Address System	0	279,000
Water Bottling Equipment	0	49,000
Sub-Total	6,111,387	3,079,450
(ii) Plant, Machinery & Tractors	Kes.	Kes.
Farm Machinery	0	0
Tractors	0	0
Other Machinery	160,000	52,400
Sub-Total	160,000	52,400
(iii) Motor Vehicles	Kes.	Kes.
Motor Vehicle	0	0
Sub-Total	0	0
(iv) Furniture & Fittings	Kes.	Kes.
Office Furniture	689,985	0
Sub-Total	689,985	0
(v) Computers & Accessories		
Details	Kes.	Kes.
Computers & Appliances	1,503,751	4,505,350
Local Area Networks (LAN)	499,590	341,362
Sub-Total	2,003,341	4,846,712
(vi) Library Books	Kes.	Kes.
Library Books -Print	0	378,981
E-Books	461,782	0
Sub-Total	461,782	378,981
(vii) Intangible Assets	Kes.	Kes.
ERP Software	0	0
Fuel Tracking Management System	0	350,000
Sub-Total	0	350,000
Total Non-current Assets	9,426,495	8,707,543

**Notes to the Financial Statements (Continued)
For the Year Ended 30th June, 2024**

34. Additional Work-in-Progress

Work-in-Progress is the total value of the materials and labour for unfinished projects. The University incurred a total of Kes. 36,753,783 in 2023/2024 FY compared to Kes. 110,905,517 in 2022/2023 FY as additional costs to the on-going capital projects. Details of capital expenditure for the period are as shown below;

Additional Work-in-Progress (Capital Expenditure) for 2023/2024

Project Code	Capital Project Details	2023/2024	2022/2023
		Cumulative to 30.06.2024	Annual Report (30.06.2023)
		Kes.	Kes.
20-02-001	New Library & Admin Block	909,800	1,204,292
20-02-002	Tuition Block	25,642,642	75,539,264
20-02-005	University Gate	0	0
20-02-006	Science Laboratories	10,041,201	29,983,717
20-02-012	Perimeter Fence	0	333,800
20-02-021	Construction of Zero Grazing Unit	160,140	3,729,468
20-02-022	Business Centre & Science Park	0	0
20-02-023	Reading Shades	0	114,976
	Total	<u>36,753,783</u>	<u>110,905,517</u>



*Annual Report & Financial Statements for the Period
Ended 30th June 2024*



**Laikipia University is ISO 9001:2015
and ISO/IEC 27001: 2013 Certified**



APPENDICES

APPENDIX I: Progress on Follow-up of Auditor's Recommendations

The following is the summary of issues raised by the external auditor in 2022/2023 FY, and management comments that were provided to the auditor. The University nominated focal persons to resolve the various issues as shown below with the revised time frame within which the issues will be resolved.

Reference No. on the External Audit Report	Issue/Observation from Auditor	University Management Comment	Focal Point Person to resolve the issue	Status	Timeframe
A1	<i>Title deeds not reflecting ownership (16 Parcels of land in name of Egerton University)</i>	<i>The University is in the advanced stage of merging the 16 separate parcels of land, with the aim of consolidating them into a single title that will be registered under the name of Laikipia University.</i>	<i>UMB & Legal Officer</i>	<i>Not Resolved</i>	<i>30th April, 2025</i>
A2	<i>Long outstanding Receivables from exchange transactions (Collaborating Colleges)</i>	<i>Management closed all collaborating colleges due to difficulties in management. Additionally, they will analyze outstanding debts and recommend that the uncollectible (Eldoret & Nakuru) ones be written off by the Council.</i> <i>For Embu Campus Collaboration, an arbitrator appointed by the Chartered Institute of Arbitrators awarded Kes 22,765,691 to the University, including costs and interest. Embu Campus has since sought</i>	<i>UMB & Legal Officer</i>	<i>Not Resolved</i>	<i>FY 2024/2025</i>



Laikipia University, Annual Report & Financial Statements for the Year Ended 30th June 2024

B1	Over and under expenditure of Budgetary allocations	<p>to annul the award, claiming lack of jurisdiction. Filings from both parties are complete, but the ruling, initially set for June 3rd 2024, is not ready and awaiting delivery ruling</p> <p>The variance primarily resulted from ISO re-certification, strategic plan reviews, and Performance Contracting activities during the 2022/2023 financial year, which exceeded budget expectations. Additionally, the Academic and Research variance stemmed from part-time teaching claims for TVET and other programs recognized in June 2023. The under-spending in student welfare was due to unspent medical supply funds at the year's end. The University has implementing measures that ensure expenditures remain within budget</p>	UMB	Not Resolved	FY 2024/2025
B2	Uncertainty on unsustainability of service (Negative working capital)	<p>The University is facing financial challenges due to declining funding sources and insufficient GoK Capitation over the past five years. The Covid-19 pandemic also led to a closure in 2020 and 2021, resulting in insufficient revenue to cover supplier payments and other bills, which increased negative working capital. To address this, the University is revamping income-generating units, revising the curriculum to attract more students, and implementing austerity</p>	UMB	Not Resolved	Ongoing



C1	Non-Compliance with the law on fiscal responsibility – Wage Bill	measures to reduce costs. The staff cost exceeded the 35% ratio of staff costs to revenue because the income barely covers wages and other University expenses. The University is exploring means of improving revenue base to add more resources available for university expenditure.	UMB	Not Resolved	Ongoing
C2	Irregular Acting Appointments	The University Council is following up with the Ministry of Education to fill the Deputy Vice Chancellors positions. The process for filling other posts is ongoing.	UMB	Not Resolved	FY 2024/2025
C3	Un-remitted Statutory Deductions (Pension Arrears)	The University could not remit the pension deduction due to lack of funding from the exchequer. However, it began paying this liability in the 2023/2024 year and is committed to settling it in the 2024/2025 fiscal year.	UMB	Not Resolved	30 th June, 2025
C4	Delay in implementation of Capital projects	It is true that the University has stalled projects and the Management has been requesting the government to provide funds for the completion of these projects but these efforts have been unsuccessful. For the Stalled Administration & Education Complex that started in 1990 and stalled in 1992, the University will engage the Ministry of Public Works to evaluate the possibilities of reviving the project since it was abandoned at foundation level. The claimed variance between total payments	UMB	Not Resolved	30 th June 2025



			for the construction of the gate contract sum as per contract signed is actually not a variance. This is covered under Contract sums emanates computation using $X + Y = Z$ where; total contract sum (Z) equals the Contractor's costs (X) and the Consultants fees (Y). The submitted amount was the project sum X. In this case the variance was actually the consultants' fees (Y element) under contract cost summation.			
C5	Irregular Expenditure on Research Activities	The University has put in place controls that ensure that approvals are given before incurring any expenditure.	UMB	Not Resolved		FY 2024/2025
D1	Lack of an Approved Risk Management Policy	The risk management Policy was approved by Council on 12 th July, 2024	UMB & Legal Officer	Certified for closure		FY 2024/2025
D2	Reliability of ABNO Enterprise Resource Planning (ERP) System	The University is engaging with the ERP system Vendor to ensure that debtors balances at the start of the year are not dropped once the invoice amount is fully paid	UMB	Not Resolved		FY 2024/2025

The University Management Board is committed to resolve all pending audit issues to improve financial systems and reporting.



Prof. Kibett Rotich, Ph.D

Professor of Biostatistics and Informatics

VICE CHANCELLOR



APPENDIX II: Projects Implemented by the University

a) Donor Funded Projects

There were no donor funded projects in the year under review

b) Government Funded Projects

The following projects funded by the Government of Kenya through Ministry of Education (MoE) are on-going;

- I. Science Complex/Laboratories
- II. Tuition Block
- III. Library & Administration Block

c) Status of Projects

S/No.	Project Title	Total Project Cost	Total Expended to Date	% Completion to Date	Approved/ Revised Budget 2023/2024	Actual 2023/2024	Source of Funds
1	Tuition Block	477,586,196	493,802,609	103.40%	22,000,000	25,642,642	GoK
2	Science Complex Phase II	297,514,943	159,190,724	53.51%	5,000,000	10,041,201	GoK
3	Library & Administration Block	400,762,909	400,509,484	99.94%	2,367,517	909,800	GoK
4	University Gate	31,472,542	31,129,169	98.91%	1,500,000	0	GoK/A-i-A
5	Sports Grounds & Pavilion	105,000,000	4,337,820	4.13%	0	0	GoK/A-i-A
6	Construction of Zero Grazing Unit	5,000,000	4,104,008	82.08%	250,000	160,140	A-i-A
7	Perimeter Fence	25,000,000	0	0.00%	1,500,000	0	A-i-A



APPENDIX III: Inter-Entity Transfers



OFFICE OF THE FINANCE OFFICER


Appendix III Inter-Entity Confirmation Letter

Name of Beneficiary Entity: Laikipia University				
Breakdown of Funds Received from the Ministry of Education - State Department for Higher Education and Research for the Financial Year 2023/2024				
Reference/Receipt Number	Date Received as per Cash-Book	Nature Recurrent/ Development	Total Amount Kes.	Financial Year
a) Recurrent				
220760	10.08.2023	Recurrent	56,488,363	2023/2024
221303	31.08.2023	Recurrent	56,488,363	2023/2024
225453	14.09.2023	Recurrent	56,488,361	2023/2024
231663	01.11.2023	Recurrent	56,488,363	2023/2024
240511	18.12.2023	Recurrent	56,488,363	2023/2024
242708	09.01.2024	Recurrent	56,488,362	2023/2024
246593	13.02.2024	Recurrent	56,488,363	2023/2024
248419	14.03.2024	Recurrent	56,488,363	2023/2024
253108	12.04.2024	Recurrent	56,488,362	2023/2024
254251	05.06.2024	Recurrent	56,488,363	2023/2024
254452	12.06.2024	Recurrent	56,488,362	2023/2024
254995	01.07.2024	Recurrent	56,488,363	2023/2024
Total for Recurrent			677,840,351	
b) Development				
247522	29.02.2024	Development	5,300,000	2023/2024
247525	29.02.2024	Development	1,250,000	2023/2024
Total for Development			6,750,000	
Grand Total			684,610,351	

The above amounts have been communicated to and reconciled with the Ministry of Education- State Department for Higher Education and Research

Signed;


 Finance Officer
 Laikipia University


For: PRINCIPAL SECRETARY
 STATE DEPARTMENT FOR
 UNIVERSITY EDUCATION
 P. O. Box 9583 - 00100, NAIROBI

 Head of Accounting Unit
 State Department for Higher Education and Research
 Ministry of Education

Vision : Nurture and Transform for the World

Mission: To contribute to the World through Education, Research, Training, Consultancy, Innovation, Outreach and Collaboration



Laikipia University is ISO 9001:2015 and ISO/IEC 27001:2013 Certified



Vision : Nurture and transform for the World

Mission: To contribute to the World through education, research, training, consultancy, innovation, outreach and collaboration



Laikipia University is ISO 9001:2015 and ISO/IEC 27001:2013 Certified



APPENDIX IV: Transfers from Other Government Entities

Government Grants

LAIKIPIA UNIVERSITY						Where Recorded/recognized				
Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Date Received as per Cash-Book	Receipt Number	Nature: Recurrent / Development / Others	Total Amount - Kes.	Statement of Financial Performance - Kes.	Capital Fund - Kes.	Receivables Kes.	Others - specific -Kes.	Total Transfers during the Year - Kes.
Ministry of Education	10.08.2023	10.08.2023	220760	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	30.08.2023	31.08.2023	221303	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	13.09.2023	14.09.2023	225455	Recurrent	56,488,361	56,488,361	0	0	0	56,488,361
Ministry of Education	01.11.2023	01.11.2023	231663	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	13.12.2023	18.12.2023	240511	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	09.01.2024	09.01.2024	242708	Recurrent	56,488,362	56,488,362	0	0	0	56,488,362
Ministry of Education	12.02.2024	13.02.2024	246593	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	29.02.2024	29.02.2024	247522	Development	5,500,000	0	5,500,000	0	0	5,500,000
Ministry of Education	29.02.2024	29.02.2024	247525	Development	1,250,000	0	1,250,000	0	0	1,250,000
Ministry of Education	13.03.2024	14.03.2024	248419	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	12.04.2024	12.04.2024	253108	Recurrent	56,488,362	56,488,362	0	0	0	56,488,362
Ministry of Education	17.05.2024	05.06.2024	254251	Recurrent	56,488,363	56,488,363	0	0	0	56,488,363
Ministry of Education	12.06.2024	12.06.2024	254452	Recurrent	56,488,362	56,488,362	0	0	0	56,488,362
Total Received					628,121,988	621,371,988	6,750,000	0	0	628,121,988
ADD: Accrued										
Ministry of Education	01.07.2024	01.07.2024	254995		56,488,363.00	56,488,363				56,488,363
Grand Total					684,610,351	677,860,351	6,750,000	0	0	684,610,351



APPENDIX V: Reporting of Climate Relevant Expenditure

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Environmental Conservation	Tree planting and environmental awareness	1. To increase the University's tree cover and contribute to the National Tree Growing and Restoration Campaign. 2. To enhance awareness on environmental conservation among staff, students and neighboring communities	1. Tree planting 2. Donation of tree seedlings	-	54,110.00	-	89,500.00	University funds	1. University staff and students 2. Our partners: Equity Nyahururu, KCB Nyahururu and Unison Sacco 3. Kenya Forest Service 4. Kenya Forestry Research Institute 5. Ol Moran Community 6. Daring Eagles CBO



APPENDIX VI: Reporting on Disaster Management Expenditure

Programme	Sub-programme	Disaster Type	Category of Disaster Related Activity	Expenditure item	Amount (Kes.)	Comments
Training on Fire Fighting and Safety	Staff & Student Sensitization on fire-fighting & evacuation procedures from 8th February 2024 to 9th February 2024	Fire	Fire Preparedness	Payment of facilitators from Nairobi County Fire Department to conduct the training	37,950.00	55 staff and students underwent the Fire Fighting and Safety training





2023/2024 Annual Report & Financial Statements Working Team



