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*Volume 25*

KENYA NATIONAL AUDIT OFFICE



*Paper laid  
By Leader of  
Majority Hon  
Alan Amole  
on Wednesday*

REPORT

OF

THE AUDITOR-GENERAL

*12/11/2014*

ON

THE FINANCIAL STATEMENTS OF  
BUKURA AGRICULTURAL COLLEGE

FOR THE YEAR ENDED  
30 JUNE 2013



# **BUKURA AGRICULTURAL COLLEGE**

## **AMMENDED ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**



## BUKURA AGRICULTURAL COLLEGE

### Annual Report and financials Statements For the year ended 30th June 2013

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## **BUKURA AGRICULTURAL COLLEGE**

### **Institution Information**

**OWNERSHIP** The institution is 100% owned by the government, Ministry of Agriculture being the parent Ministry

### **LEGAL FORM**

The institution is a separate Legal entity under "The Bukura Agricultural College Act 1999".

### **REGISTERED OFFICE**

Bukura Agricultural College,  
Sigalagala- Bukura Road,  
P.O Box 23-50105,  
Bukura.

### **AUDITORS**

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

### **BANKERS**

Sale of boarded items  
Co-operative Bank Of Kenya  
Kakamega Branch  
P.O Box 595-50100  
Kakamega.

Kenya Commercial Bank.  
Kakamega Branch  
P.O Box 152-50100,  
Kakamega.

## **BUKURA AGRICULTURAL COLLEGE**

### **Vision**

“ The training Institute of choice in practical Agricultural Sciences”

### **Our Mission**

“To provide quality Agricultural Education through Training, Innovations and Extension services for improved agricultural productivity and livelihoods”

### **Motto**

“Training and Innovations for improved livelihood”

### **Mandate**

The Bukura Agricultural College Act of 1999 mandates the College to:

- (i) Provide directly or in collaboration with other institutions of higher learning facilities for education in Agriculture and other auxiliary subjects through the integration of teaching, research and effective provision of extension services;
- (ii) Participate in the discovery, transmission and preservation of knowledge in agriculture and other related fields;
- (iii) Conduct examinations for and grant diplomas and such academic awards as provided for in the statute; and
- (iv) Co-operate with the government in the planned development of Agricultural Education .

### **Core Functions**

The core functions of the college are to;

- (i) Provide middle level training in Agriculture and related fields;
- (ii) Conduct Research; and
- (iii) Provide extension services.

### **Core Values**

In pursuit of the mission and vision and to perform its core functions, the college will be guided by the following fundamental values, which will define the culture of the organization, professionalism, accountability, efficiency and responsiveness, gender equity, innovations and commitments.

## BUKURA AGRICULTURAL COLLEGE

### Board of Directors' Members

The Board of Directors submit their report and the financial statements for the year ended 30th June 2013, which show the state of the College's affairs.

### Principle activities

The College mandate is to provide agricultural training through integration of research and the provision of agricultural extension services extension.

### Results

The results of the College performance for the year are set out on page 3-14

### Board of Directors who served during the year and to the date of this report were:

	<b>Name</b>	
1	Dr. Gaudencia M. Okumbe	Chairperson
2	Mr. Pius Mutay	Vice Chairperson
3	Mrs. Caroline Ngunjiri	Alternate Director - Director of Livestock
4	Mrs. Colette A. Obunga	Director- Agricultural industry
5	Eng. Nicholas W. Inyende	Director-Agricultural Industry
6	Mr. Hamisi Williams Muo	Alternate Director- PS Ministry of Agriculture
7	Mr. Fabian Muya	Alternate Director- AS - Ministry of Agriculture
8	Prof. Mary A. O. Onyango	Director- Public Universities
9	Mrs. Victoria E. Anjichi	Director- Public Universities
10	Mr. Elly Ongei	Alternate Director-PS Ministry of Finance
11	Dr. Foustine Wandera	Alternate Director-Director KARI
12	Mrs. Rachel Okumu	Alternate Director- MSPS
13	Mr. Justus Simiyu	Principal
14	Mrs. Winfred Wakoli	Registrar

### Advisor(s)

Mr. Simon Indimuli For Inspector General (Corporations)

### Auditors

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

### By order of the Board

### Chairman

## BUKURA AGRICULTURAL COLLEGE

### Statement of Board Responsibilities

The Bukura Agricultural College Act requires the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the college as at the end of the financial year and of its operating results for that year. It also requires the Board to ensure that the College keeps proper accounting records which disclose with reasonable accuracy its financial. The Board is also responsible for safeguarding the assets of the College.

The Board members accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, consistent with previous years, and in conformity with International Financial Reporting Standards and in the manner required by the Bukura Agricultural College Act. The Board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the College as at 30 th June 2013 and of its operating results for the year then ended. The Board further accepts responsibility for the maintenance of accounting records which have been relied upon in the preparation of this financial statements, as well as on the adequacy of the systems of internal financial controls.

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

Chairman.....

Principal.....

Date:.....

Date:.....

20/3/2014

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE AUDITOR-GENERAL ON BUKURA AGRICULTURAL COLLEGE FOR THE YEAR ENDED 30 JUNE 2013

#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Bukura Agricultural College set out on pages 3 to 14, which comprise the Statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

#### **Management's Responsibility for the Financial Statements**

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

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

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on the financial statements based on the audit and report with the provisions of Section 15(2) of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those Standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Basis for Qualified Opinion**

#### **1. Inaccuracy and Incompleteness of the financial statements**

During the year, the College received a grant of Euros 749,984.00 from the Netherland for Capacity Development in Higher Education (NICHE). However, the Grant Income was not included in the financial statements.

Consequently, the accuracy and completeness of the financial statements for the College for the year ended 30 June 2013 could not be confirmed.

#### **2. Property, Plant and Equipment**

As similarly reported in the previous year and as disclosed under note 10(a) to the financial statements, property, plant and equipment balance of Kshs.678,211,011.00 as at 30 June, 2013 excludes buildings and developments on College land held by Bukura Agricultural Training Centre, Bukura Rural Health Centre, Bukura Kilimo Girls Secondary School, and Bukura Kilimo Primary School all valued at Kshs.126,115,300.

Further, and as similarly reported in the previous year, land measuring 96.5 hectares included in the financial statements has ownership titles in the name of Kakamega County Council.

In the foregoing circumstances, it has not been possible to confirm the ownership status of the college's land and buildings and whether the property, plant equipment balance of Kshs.678,211,011.00 is fairly stated as at 30 June, 2013.

## **Qualified Opinion**

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all materials respects, the financial position of the College as at 30 June, 2013, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Bukura Agricultural College Act, 1999.



**Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**13 March 2014**

**BUKURA AGRICULTURAL COLLEGE**  
**Statement of Comprehensive Income for the year ended 30th June 2013**

	Notes	2013 Kshs.	2012 Kshs.
<b>Revenue</b>			
Capitation of Grants	3	82,944,000	99,541,666
Donor Grant	15	-	3,693,570
Fees from students	4	49,822,780	35,947,330
Other Income	5	31,418,817	32,015,399
<b>Total Revenue</b>		<b>164,185,597</b>	<b>171,197,965</b>
<b>Expenditure</b>			
Personnel Emolument	6	98,028,514	(91,644,506)
Operation Expenses	7	82,094,137	(56,141,253)
Technical Expenses	8	11,349,225	(11,715,369)
Board Expenses	9	7,775,864	(7,228,500)
<b>Total Expenditure</b>		<b>199,247,740</b>	<b>(166,729,628)</b>
<b>Surplus /(Deficit) for the year</b>		<b>(35,062,143)</b>	<b>4,468,337</b>

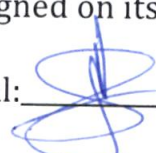
**BUKURA AGRICULTURAL COLLEGE**

**Statement of Financial Position as at 30th June 2013**

	Notes	2013 Kshs.	2012 Kshs.
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	10	678,211,011	672,063,500
Biological assets	11	8,469,800	8,178,920
		<u>686,680,811</u>	<u>680,242,420</u>
<b>Current assets</b>			
Fixed Deposits	12	6,223,841	
Inventories	13	1,521,979	1,914,106
Receivables	14	11,345,494	5,299,646
Cash and bank balances	15	3,088,769	15,236,642
		<u>22,180,083</u>	<u>22,450,394</u>
<b>TOTAL ASSETS</b>		<b><u>708,860,894</u></b>	<b><u>702,692,814</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Capital reserve	16	568,742,302	568,742,302
Capital grants	16	146,000,000	110,000,000
Revenue reserve	16	(34,950,642)	111,501
Total Equity	16	<u>679,791,660</u>	<u>678,853,803</u>
<b>Non-current liabilities</b>			
Provision for gratuity & Contractual Payments	17	2,867,735	3,595,672
Caution money		926,000	822,000
		<u>3,793,735</u>	<u>4,417,672</u>
<b>Current liabilities</b>			
Bank overdraft			
Payables	19	25,275,499	19,290,922
Bank overdraft	15	-	130,417
Total current liabilities		<u>25,275,499</u>	<u>19,421,339</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>708,860,894</u></b>	<b><u>702,692,814</u></b>

The Financial Statement on pages 3 to 14 were approved by the Board of Directors on \_\_\_\_\_ and were signed on its behalf by:

Chairman: \_\_\_\_\_

Principal:  \_\_\_\_\_

**BUKURA AGRICULTURAL COLLEGE**  
**Statement of Cash flows for the year ended 30 June 2013**

	Notes	2013 Kshs.	2012 Kshs.
<b>Cash flows from operating activities</b>			
Surplus for the year		(35,062,143)	4,468,337
<b>Adjustments</b>			
Depreciation charges	10	15,327,697	-
Increase in Caution Money	18	104,000	248,000
<b>Operating Cash before working capital changes</b>		<b>(19,630,446)</b>	<b>4,716,337</b>
Increase in Provisions	17	(727,937)	1,914,106
Increase in Inventory	13	392,127	(419,300)
Increase in Receivables	14	(6,045,848)	414,339
Bank overdraft	15	(130,417)	130,417
Increase in Payables	19	5,984,577	2,000,622
<b>Cash generated from operations</b>		<b>(20,157,944)</b>	<b>8,895,145</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, Plant and Equipment	10	(21,475,208)	(51,705,830)
Biological Assets	11	(290,880)	1,313,725
Fixed Deposit	12	(6,223,841)	5,064,274
<b>Cash flows from financing activities</b>			
Capital Grants		36,000,000	50,000,000
<b>Cash flows from Changes in Equity</b>			
<b>Net Increase in cash and cash equivalents</b>	<b>Sale of boarder</b>	<b>(12,147,873)</b>	<b>13,567,314</b>
<b>Movement in Cash and cash Equivalents</b>			
Cash and cash Equivalents at the beginning		15,236,642	1,669,328
Net Increase		(12,147,873)	13,567,314
<b>Cash and cash Equivalents at the end</b>		<b>3,088,769</b>	<b>15,236,642</b>
<b>Presented by:</b>			
Cash in Bank	15(a)	2,995,303	15,186,937
Cash in Hand	15(a)	93,466	49,705
<b>Total</b>		<b>3,088,769</b>	<b>15,236,642</b>

**BUKURA AGRICULTURAL COLLEGE**

**Statement of Accumulated Funds as at 30th June 2013**

Notes	Capital reserves	Revenue reserve	Capital grants	Accumulated Funds
	Kshs.	Kshs.	Kshs.	Kshs.
As at 1 July 2011-as	381,998,979	(4,356,836)	60,000,000	<b>437,642,143</b>
Capital Grants Revaluation Reserve	186,743,323	-	50,000,000	<b>50,000,000</b>
Retained surplus	-	4,468,337		<b>4,468,337</b>
<b>As at 30 June 2012</b>	<b>568,742,302</b>	<b>111,501</b>	<b>110,000,000</b>	<b>678,853,803</b>
As at 1st July 2012	568,742,302	111,501	110,000,000	<b>678,853,803</b>
Adjustment				-
Capital grants	-		36,000,000	<b>36,000,000</b>
Retained surplus	-	(35,062,143)		<b>(35,062,143)</b>
<b>At 30 June 2013</b>	<b>568,742,302</b>	<b>(34,950,642)</b>	<b>146,000,000</b>	<b>679,791,660</b>

# BUKURA AGRICULTURAL COLLEGE

## Financial Statements As at 30 June 2013

### Notes to the Financial Statements

#### 1 General information

Bukura Agricultural College is an institution incorporated in Kenya. The address of its registered office and principal place of business is P.O.Box 23-50105 Bukura, Kenya.

#### 2 Accounting policies

##### a Basis of preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standard issued by the International Accounting Standards Board. They are presented in the currency units of Kenya shillings (kshs.)

##### b. Revenue recognition

Revenue includes amounts of fees received from students in session during the year and cash received from other operations in the college. Government grants are recognized when the grant becomes receivable.

##### c. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using straight line method. The following annual rates are used for the depreciation of property, plant and equipment:

	Rate %
Buildings	2.50%
Plant and equipments	12.50%
Bus and Tractors	25.00%
Computer equipment	33.30%
Motor vehicle	25.00%
Furniture and fittings	12.50%
Intangible Assets	20.00%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

##### d Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the first-in, first-out (FIFO) method.

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements As at 30 June 2013**

**Notes to the Financial Statements**

**e. Trade and other receivables**

Most receivables are made on the basis of normal credit terms, and the receivables do not bear interest. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable.

**f. Trade payables**

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

<b>3 Government grant</b>	<b>2013</b>	<b>2012</b>
First Quarter	23,040,000	16,083,333
Second Quarter	23,040,000	32,166,667
Third Quarter	18,432,000	1,914,106
Fourth Quarter	18,432,000	27,166,666
<b>Total</b>	<b>82,944,000</b>	<b>99,541,666</b>
<b>4 Student Fees</b>	<b>49,822,780</b>	<b>35,947,330</b>
<b>5 Other income</b>		
Farm income	11,098,845	15,028,641
Rent and water	1,355,580	1,428,560
BAC/MMUST Collaboration Income	2,821,700	1,474,129
ICT Income	1,417,780	570,840
Sale of tender documents	390,000	321,000
Accommodation income	3,909,254	2,288,060
Catering income	6,893,003	7,838,690
Student tours	192,080	188,880
Sale of boarded items	-	870,000
KAPAP	835,000	167,000
Interest income	223,841	541,121
Sundry income	2,281,734	1,298,478
	<b><u>31,418,817</u></b>	<b><u>32,015,399</u></b>
<b>6 Salaries and wages</b>	<b>79,449,572</b>	<b>74,161,604</b>
Basic wages	8,188,500	7,771,548
Remuneration of Part-time lecturers	1,918,946	816,585
Gratuity	1,000,111	1,302,000
Baggage Allowance	-	498,960
Provision for Gratuity	993,907	1,113,929
Contribution to Pension Schemes	6,477,478	5,979,880
	<b><u>98,028,514</u></b>	<b><u>91,644,506</u></b>

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements as at 30th June 2013**

**Notes to the Financial Statements**

**7 Operation expenses**

	2013 Kshs	2012 Kshs.
Electricity	3,999,471	3,207,790
Repairs and maintenance	5,043,644	3,157,221
Rent and rates	-	31,310
Security charges	3,313,209	2,669,131
Insurance	10,481,309	2,728,999
Telephone, telex, mobile phone	471,570	1,914,106
Accommodation allowance	2,617,519	4,977,683
Extraneous Allowance	-	184,900
Networking computers and Subscription to internet	1,443,334	2,486,150
Water & sewerage services	149,900	78,700
Daily subsistence allowance local and foreign travel	2,272,025	1,464,339
Training (Tuition and accommodation)	172,515	627,558
Purchase of fuel, lubricants & other fuels	4,078,253	4,012,650
Sundry items(airport, tax, taxis)	139,442	-
Travel costs, airlines, bus, mileage allowance	336,624	292,120
Publishing & printing	1,556,420	2,025,465
Courier & postal services	318,864	629,022
General office supplies and Accessories to Computers	3,204,248	3,148,041
Sale of boarded items	282,765	550,195
Scholarships & other educational benefits	1,862,650	1,991,800
Hire of transport, equipment, and other facilities	343,300	445,025
Advertising, awareness, publicity, trade shows & exhibitions	2,946,605	3,612,807
Food, rations & catering services	9,599,512	10,801,748
Purchase of uniforms,beddings and games kit	112,100	660,045
Medical drugs and other non-pharmaceuticals	346,360	259,482
MMUST Collaboration expenses	467,138	819,121
Depreciation	15,327,697	-
Field attachment allowance	2,595,680	-
Students Council Allowances	338,380	241,050
Cation Money Expense	566,000	616,000
Bank commissions and charges	165,192	226,174
Sanitary and Cleaning	2,241,619	1,834,903
Audit fees	928,000	400,000
Legal dues,arbitration and compensation payments	2,161,214	-
Pending bills	1,364,965	-
KAPAP	846,613	-
	82,094,137	56,141,253

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements at 30 June 2013**

**Notes to the Financial Statements**

<b>8 Technical expenses</b>	<b>2013 Kshs.</b>	<b>2012 Kshs.</b>
Research & Development	158,750	195,961
Graduation expenses	1,005,001	1,003,416
Education aids & materials	1,778,285	826,464
Lab Materials, Small Equipment, Education & Library Supplies	437,018	459,955
Contracted professional services	1,825,998	2,506,268
Agricultural materials, Veterinary & fungicides supplies	6,144,173	1,914,106
	11,349,225	11,715,369
<b>9 Board expenses</b>		
Sitting Allowances	2,155,500	2,479,500
Travel Allowance	2,356,500	1,993,000
Accomodation Allowance	2,466,800	1,920,000
Chairman Honorarium	480,000	480,000
Meal Allowance	288,000	332,000
Airtime Allowance	24,000	24,000
Others	5,064	-
<b>Total</b>	<b>7,775,864</b>	<b>7,228,500</b>

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements at 30 June 2013**

**Notes to the Financial Statements**

**(a) Property, plant and equipment**

<b>Current year</b>	<b>Land</b>	<b>Buildings</b>	<b>Work in Progress</b>	<b>Machinery</b>	<b>Furniture &amp; Equipment</b>	<b>Computers</b>	<b>Motor Vehicles</b>	<b>Motor Lorries</b>	<b>Total</b>
<b>Cost at 1 July 2011</b>	<u>141,600,000</u>	<u>285,100,000</u>	<u>214,000,000</u>	<u>10,979,921</u>	<u>6,293,579</u>	<u>8,830,000</u>	<u>2,000,000</u>	<u>3,260,000</u>	<b>672,063,500</b>
Additions during the year	-	30,000,000	17,116,284		562,700	195,499	3,600,725	-	<b>51,475,208</b>
Disposals			(30,000,000)						<b>(30,000,000)</b>
As at 30th June 2013	<u>141,600,000</u>	<u>315,100,000</u>	<u>201,116,284</u>	<u>10,979,921</u>	<u>6,856,279</u>	<u>9,025,499</u>	<u>5,600,725</u>	<u>3,260,000</u>	<b>693,538,708</b>
<b>Depreciation</b>									
Dep. 1st July 2012	-	1,914,106							-
On disposals									
As at 30th June 2013		<u>7,877,500</u>		<u>1,372,490</u>	<u>857,035</u>	<u>3,005,491</u>	<u>1,400,181</u>	<u>815,000</u>	<b>15,327,697</b>
	-	<u>7,877,500</u>	-	<u>1,372,490</u>	<u>857,035</u>	<u>3,005,491</u>	<u>1,400,181</u>	<u>815,000</u>	<b>15,327,697</b>
Net book value 30-06-2013	<u>141,600,000</u>	<u>307,222,500</u>	<u>201,116,284</u>	<u>9,607,431</u>	<u>5,999,244</u>	<u>6,020,008</u>	<u>4,200,544</u>	<u>2,445,000</u>	<b>678,211,011</b>
At 30 th June 2012	<u>141,600,000</u>	<u>285,100,000</u>	<u>214,000,000</u>	<u>10,979,921</u>	<u>6,293,579</u>	<u>8,830,000</u>	<u>2,000,000</u>	<u>3,260,000</u>	<b>672,063,500</b>
<b>WORK IN PROGRESS IN ANALYSIS</b>									
1. Education Complex	131,116,284								
2. Education Resource centre	70,000,000								

VALUATION: Situated on the College land are other public institutions whose assets were valued as follows;

1. Kilimo Secondary School	15,904,000
2. Bukura Agricultural Training Centre	61,483,800
Sale of boarded items	28,542,000
4. Kilimo Primary School	19,140,000
5. Bukura Energy Centre	1,045,500
<b>TOTAL</b>	<b>126,115,300</b>

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements at 30th June 2013**

**Notes to the Financial Statements**

<b>11 Biological Assets</b>	<b>2013</b>	<b>2012</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Dairy Animals	4,510,000	3,552,400
Other Animals	941,800	821,550
Coffee	212,500	143,000
Horticulture	228,000	194,770
Maize	-	1,914,106
Hay	600,000	-
Sorghum	1,400,000	-
Sugarcane	577,500	967,200
	<u>8,469,800</u>	<u>8,178,920</u>
<b>12 Fixed Deposits</b>		
Fixed Deposit Account	6,223,841	
<b>TOTAL</b>	<u>6,223,841</u>	
<b>13 Inventories</b>		
General Stores	1,521,979	1,914,106
	<u>1,521,979</u>	<u>1,914,106</u>
<b>14 Receivables</b>		
Students fees	6,438,700	3,900,320
Farm debtors	-	600,000
Unsurrendered Imprest	356,465	192,918
Insurance premiums	-	446,937
MMUST Students	1,966,071	-
Sundry Debtors(water)	20,000	159,471
Bukura Education Complex	2,564,258	-
	<u>11,345,494</u>	<u>5,299,646</u>
<b>15(a) Cash and cash equivalents</b>		
Cash at bank	2,995,303	15,186,937
Cash in hand	93,466	49,705
Total	<u>3,088,769</u>	<u>15,236,642</u>
<b>15(b) Bank overdraft</b>	<u>-</u>	<u>(130,417)</u>
<b>16 Accumulated Funds</b>		
Capital reserves	568,742,302	568,742,302
Capital grants	146,000,000	110,000,000
Revenue reserve	(34,950,642)	111,501.00
Total as at 30th June 2013	<u>679,791,660</u>	<u>678,853,803</u>

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements At 30th June 2013**

**Notes to the Financial Statements**

<b>17 Provision for the year</b>	<b>2013 Kshs.</b>	<b>2012 Kshs.</b>
At 1 July 2012 (gratuity)	649,368	749,152
Provision for gratuity	993,907	900,327
Provision for MMUST/BAC payment	1,224,460	-
Provision for contractual payment	-	1,946,193
At 30 June 2013	<u>2,867,735</u>	<u>3,595,672</u>
<b>18 Caution money</b>		1914106
Caution money for 1st years	<u>926,000</u>	<u>822,000</u>
<b>19 Payables</b>		
Pending Bills B/f	94,800	1,459,765
Providers of goods and services	14,060,978	5,138,003
Construction Bills	-	6,155,678
Sundry Creditors	-	18,220
Caution money	908,000	616,000
Retention fund	9,747,721	5,503,256
Donor fund	-	-
Audit Fees	464,000	400,000
	<u>25,275,499</u>	<u>19,290,922</u>
<b>20 Proceeds from sale of boarded items</b>		
Sale of boarded items	<u>101,050</u>	<u>870,000</u>

**BUKURA AGRICULTURAL COLLEGE**  
**Financial Statements at 30th June 2013**

**Notes to the Financial Statements**

**21 Valuation**

The college contracted Odongo Kabija and company valuers who valued the property plant and equipment for other institutions within its land at **Kshs.126,115,300**. The college has not factored these assets in the annual report since it does not directly own them.

**22 Contingencies**

- i)** The case between the contractor of the library block Okeno & Sons and the college is still before the arbitrator and the contractor is claiming **Ksh 89M**
- ii)** A supplier by the name Fridge Stores has also lodged a case in court against the College for alleged **Ksh 1.3M** supplies made from 2004/05fy. The case is yet to be determined.

**23 Donor Fund**

The College operates a donor funded project aimed at capacity building and improving dairy and horticultural programmes to meet the requirements of the labour market and to contribute to food security and the commercialization of the sector. The programme is funded by Netherlands Organization for International Cooperation in Higher Education (NUFFIC) and is run jointly by two parties i.e Bukura Agricultural College being the requesting party and Q-point BV being the Dutch Service Provider. The project is scheduled to run for four years beginning November 2011 to November 2014. The total grant is Euros 749,984. It was not until July 2012 that the project took off due to a delay in the approval of the workplan for the year 2012 by NUFFIC.

**24 Incorporation**

Bukura Agricultural College is incorporated in Kenya under The Bukura Agricultural Act (1999) as a state corporation and is domiciled in Kenya.

**25 Events after the end of the reporting period**

There was no major event that occurred after balance sheet date that would affect the financial position of the college.