

REPUBLIC OF KENYA



*Enhancing Accountability*

# REPORT

PARLIAMENT  
OF KENYA  
LIBRARY

OF

**THE AUDITOR-GENERAL**

ON

**TOM MBOYA UNIVERSITY**

**FOR THE YEAR ENDED**

**30 JUNE, 2024**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	03 MAR 2025 <i>Thursday</i>
TABLED BY:	<i>Hon. Naam Wago MP Deputy Majority Party Whip</i>
CLERK AT THE TABLE:	<i>A. Shibuko</i>



REPUBLIC OF KENYA

18 DEC 2024



**TOM MBOYA UNIVERSITY**  
KNOWLEDGE FOR SUSTAINABLE INNOVATION ENTERPRISE

# ANNUAL REPORT AND 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)

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

<b>Table Contents</b>	<b>Page</b>
1. Acronyms, Abbreviations and Glossary of Terms .....	III
2. Key Entity Information and Management .....	VII
3. The Board of Directors/Council .....	XI
4. Key Management Team... ..	XV
5. Chairman’s Statement.....	XIX
6. Report of the Chief Executive Officer.....	XXI
7. Statement of Performance against Predetermined Objectives for FY 2023/2024.....	XXV
8. Corporate Governance Statement.....	XXXIV
9. Management Discussion and Analysis .....	XL
10. Environmental and Sustainability Reporting .....	L
11. Report of the Directors .....	LVIII
12. Statement of Directors Responsibilities.....	LIX
13. Report of the Independent Auditor for the Financial Statements of Tom Mboya University.....	LX
14. Statement of Financial Performance for the year ended 30 June 2024.....	1
15. Statement of Financial Position as at 30 June 2024 .....	2
16. Statement of Changes in Net Assets for the year ended 30 June 2024.....	3
17. Statement of Cash Flows for the year ended 30 June 2024 .....	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024 .....	5
19. Notes to the Financial Statements .....	6
20. Appendices.....	40

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**1. Acronyms, Abbreviations and Glossary of Terms**

**A: Acronyms and Abbreviations**

AIA	Appropriations in Aid
AG.	Acting
ARSA	Academic, Research and Student Affairs
CEO	Chief Executive Officer
CPA	Certified Public Accountant
DG	Director General
ERP	Enterprise Resource Planning
FY	Financial Year
CBK	Central Bank of Kenya
CS	Cabinet Secretary
CUE	Commission for University Education
GoK	Government of Kenya
HELB	Higher Education Loans Board
ICEMR	International Centre for Excellence in Malaria Research
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information, Communication Technology
IGA	Income Generating Activity
IPSAS	International Public Sector Accounting Standards
KCB	Kenya Commercial Bank
KUCCPS	Kenya Universities and Colleges Central Placement Service
MD	Managing Director
NT	National Treasury
NRF	National Research Fund
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PGDE	Post Graduate Diploma in Education
PFM	Public Finance Management
PPE	Property Plant & Equipment
PS	Principal Secretary

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
SOTMU	Students Organization of Tom Mboya University
TMU	Tom Mboya University
TMUC	Tom Mboya University College
UFB	Universities Fund Board
USAID	United States of America International Development
WB	World Bank
VC	Vice Chancellor
WIP	Work in Progress

**B: Glossary of Terms**

**‘Academic Department’** means a Department which for administrative purposes has been designated by the Council as being constituted within a particular School/Faculty, Institute or Centre;

**‘Academic Staff’** means any person appointed to teach, train or to do research at the University and any other employee designated as such by the University Council;

**‘Academic Year’** means a period of two (2) semesters of study and examinations as designated by the Senate. Provided, however that the Senate may designate different dates and different periods for such academic year;

**‘Act’** means The Universities Act, 2012 (and subsequent amendments);

**‘Administrative Staff’** means a member of staff in any of the grades, who is appointed for general purposes of performing duties related to general management and administration of the University;

**‘Alumni Association’** means the association of graduates and former students of the University established under Section 17 of the Charter;

**‘Centre’** in the academic context, means a multidisciplinary entity concerned with either teaching or research or both for purposes of offering degrees, diplomas or certificates; or concerned with the promotion of cultural, social, scientific, economic and political values, without necessarily offering such studies for its own degrees;

**‘Chairman of the Council’** means the Chairman of Council of the University as appointed under Section 14 of the Charter;

**‘Chancellor’** means the Chancellor of the University appointed under section 13 of the Charter;

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**‘Charter’** means the Charter granted to the University under section 19 of the Act;

**Comparative Year-** Means the prior period.

**‘Constitution’** means the Constitution of Kenya, 2010;

**‘Council’** means the Council of the University established under Section 14 of the Charter;

**‘Dean of Students’** means the person appointed to be the Dean of Students of the University in accordance with Statute 11;

**‘Dean’** means the Dean of a School/Faculty appointed under Statute 33(11);

**‘Deputy Vice-Chancellor’** means the Deputy Vice-Chancellor appointed under Section 21 of the Charter;

**‘Designated officers’** means officers assigned defined roles;

**‘Director’** means the person appointed under Statute 33(11) to be the director of a School/Faculty/Institute/ Centre or Directorate of the University;

**‘Division’** means an organizational compartment charged with full responsibility of coordinating various professional functions so as to achieve a strategic objective of the University. It coordinates the functions of various administrative departments;

**‘Emeritus Professor’** A Professor who has retired from active service in the University and has been considered for appointment as an Emeritus Professor of the University;

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

**Financial Year** Means the period 1st July to 30th June

**‘Director of Finance’** means the person appointed to be the Director of Finance of the University in accordance with Statute 17;

**‘Graduate’** means a person upon whom a degree of the University has been conferred or to whom a qualification of the University has been awarded as determined by the Senate;

**‘Independent Examiner’** means an internal or external examiner who though knowledgeable in the subject, has not taught or examined the candidate;

**‘Institute’** means an administrative and academic entity, which may consist of centres engaged in specialized teaching and/or research in specific areas of academic enterprise;

**‘Lecturer’** means a member of the staff of the University who is, in terms of appointment, a professor, an associate professor, adjunct professor, senior lecturer, lecturer, assistant lecturer, teaching assistant, or a person who holds any other teaching or research post which the Council has recognized as a post having academic status in the University;

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**‘Member of the University’** means a member of the University as defined under Statute 2;

**‘Other Members of Staff’** means administrative, technical and support staff of the University;

**‘Performance Report’** includes documentation of target activities and achievements by the various administrative units of the University;

**‘Principal Officers’** means the Chairperson of Council, the Vice-Chancellor, the Deputy Vice-Chancellors, the Principals of Constituent Colleges and Campuses, the Registrars, the Director of Finance and the Chief Legal Officer as duly appointed in accordance with the Charter and the Statutes.

**‘Professor’** means a Professor of the University;

**‘Programme’** means the curriculum prescribing the study to be taken by a student that will have satisfied all the requirements and or conditions leading to the conferment and or award made in accordance with these Statutes;

**‘Registrar’** means the person appointed by Council to be the Registrar of the University under Statute 32;

**‘Regulations’** means Regulations made by the University pursuant to the Act, the Charter and these Statutes;

**‘School/Faculty’** means an administrative and academic entity, bringing together, under its umbrella, distinctive disciplines, all contributing to common or closely related academic programmes;

**‘Semester’** means a period of study normally consisting of sixteen weeks or its equivalent in contact hours as may be determined by Senate from time to time;

**‘Senate’** means the Senate of the University established under statute XXIII of these Statutes;

**‘Statutes’** means the Statutes made by the University Council;

**‘Student’** means a person registered by the University for the purpose of obtaining a qualification through approved process of instruction of the University or any other person who is determined by the Senate to be a student;

**‘University’** means Tom Mboya University established under Section 3 of the Charter;

**‘Vice-Chancellor’** means the Vice-Chancellor of the University appointed under section 18 of the Charter;

## **2. Key Entity Information and Management**

### **(a) Background information**

Tom Mboya University started as a constituent college of Maseno University through Legal Order No 55 of April 8<sup>th</sup> 2016. It became a fully-fledged University through the award of Charter on 2<sup>nd</sup> August 2022. The University is domiciled in Kenya. At Cabinet level, the University is represented by the Cabinet Secretary for Education who is responsible for the general policy and strategic direction of the University.

The University currently has got seven (7) faculties, one (1) centre and one (1) institute namely:

- Faculty of Education
- Faculty of Business & Economics
- Faculty of Food Security & Agriculture Studies
- Faculty of Arts & Social sciences
- Faculty of Biological & Physical Science
- Faculty of Maths, Actuarial Science & Computing
- Faculty of Tourism and Cultural Studies
- Institute for Public Policy and allied studies
- Centre for Lake Victoria Studies and Allied challenges

#### ***Vision***

To be a premier internationally recognized University distinguished for teaching, research and innovation

#### ***Mission***

To transform and sustainably contribute to society through teaching; research and innovation; knowledge creation, application and outreach

#### ***Philosophy***

In association with the name brand Tom Joseph Mboya, Tom Mboya University believes in limitless access to university education, global reach in scholarship, technological advancement and innovations for the good of society.

#### ***Motto***

Knowledge for sustainable development (scientia enim sustainable progressum)

#### ***Core Values***

Excellence in teaching, research and innovation with emphasis on:

- Accountability
- Efficiency
- Integrity
- Sustainability

### **(b) Principal Activities**

Tom Mboya University derives its mandate from the University Act 2012 with the following objectives:

- Advancement of knowledge through teaching, scholarly research and scientific investigation;
- Promotion of learning in the student body and society generally;
- Promotion of cultural and social life of society
- Support and contribution to the realization of national economic and social development;

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

- Promotion of the highest standards in, and quality of, teaching and research;
- Education, training and retraining higher level professional, technical and management personnel;
- Dissemination of the outcomes of the research conducted by the university to the general community.
- Facilitation of life-long learning through provision of adult and continuing education;
- Fostering of a capacity for independent critical thinking among its students; and
- Fostering of a capacity for independent critical thinking among its students; and
- Promotion of gender balance and equality of opportunity among students and employees.
- Promotion of equalization for persons with disabilities, minorities and other marginalized groups.
- To contribute to agricultural, industrial and technological development of Kenya in collaboration with industrial and other institutions through the transfer of appropriate technology;
- To develop and provide educational, cultural, professional, technical and vocational services to the community and in particular, foster corporate social responsibility;
- To provide programs, products and services in ways that reflect the principles of equity and social justice;
- To facilitate student mobility between different programs at different training institutions, universities and industry; and
- To foster the general welfare of all staff and students.

**(c) Key Management**

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

No.	Designation	Name
1.	Vice-Chancellor	Prof. Charles O. Ochola
2.	Ag. Deputy Vice-Chancellor, Academic Research & Student Affairs	Prof. Elyjoy Muthoni Micheni
3.	Head of Finance	CPA Julius O Otieno
4.	Head of Academic & Student Affairs	Jarred Odoyo Malela
5.	Head of Human Resource & Administration	Washington O Wambas
6.	Head of Procurement	Monica Ogola Ouma
7.	Head of Internal Audit	Abel Manas Geke

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Vice-Chancellor	Prof. Charles O. Ochola
2.	Ag. Deputy Vice-Chancellor, Academic, Research & Student Affairs	Prof. Elyjoy Muthoni Micheni
3.	Head of Finance	CPA Julius Okoth Otieno
4.	Head of Academic & Students Affairs	Jarred O. Malela
5.	Head of Procurement	Monica Ogola Ouma
6.	Head of Human Resource & Administration	Washington O. Wambas
7.	Head of Internal Audit	Abel Manas Geke

**(e) Fiduciary Oversight Arrangements**

**Academic and Research Committee**

This is a Committee of the Council responsible for execution of academic and research matters including award of degrees of the University

**Finance, Planning and Investment Committee**

This is a Committee of the Council responsible for recommending financial policies, goals, and budgets that support the mission, values, and strategic goals of the organization. The committee also reviews the organization's financial performance against its goals and proposes major transactions and programs to the Council.

**Audit and risk Management Committee**

The Audit and risk management Committee of the Council form a key element in the governance process by providing an independent expert assessment of the activities of top management, the quality of the risk management, financial reporting, financial management and internal audit to the Council and the senior management.

**Executive and Human Resource Committee**

The Committee is responsible for execution of urgent matters on behalf of council, human resource matters and coordinate the agenda and conduct of committees and advise council on their performance.

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**(f) Tom Mboya University Headquarters**

Homa Bay Town, Next to Governor's Office, Homa-Bay County  
Hospital Road  
P.O.BOX 199-40300  
Homa-Bay  
Kenya

**(g) Tom Mboya University Contacts**

Land line: (254) 059-20090/20091  
Mobile Telephone: 0746401703/0746401706  
E-mail: [vc@tmu.ac.ke](mailto:vc@tmu.ac.ke)  
Website: [www.tmu.ac.ke](http://www.tmu.ac.ke)

**(h) Tom Mboya University Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**
2. **Kenya Commercial Bank**  
Homa-Bay Branch  
P. O. Box 368-40300  
Homa-Bay, Kenya
3. Equity Bank Ltd  
Homa-Bay Branch  
P.O. Box 366-40300  
Homa-Bay, Kenya



**(i) Independent Auditor**

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

**(j) Principal Legal Adviser**

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



**3. The Board of Directors/Council**

Ref	Council Member	Details
1.		<p><b>Dr. Augusta N. Abate-Chair of Council</b>  <b>Date of Birth: 20th December 1952</b>            Dr. Augusta N. Abate is the Chair of the Council. She is currently the Director, Dairy &amp; Food Safety at Diamond V an organization that specializes in Nutrition and Health. She previously worked as the Assistant Representative in Charge of Kenya Programme at Food and Agriculture Organization (FAO) of the United Nations and also as an Assistant Director at Kenya Agricultural Research Institute (KARI). She holds a Bachelor of Science Degree in Agriculture and Master of Science in Animal Production from the University of Nairobi and PhD from the University of Aberdeen, Scotland.</p>
2.		<p><b>Dr. Mbugua Njoroge</b>  <b>Date of Birth: 5<sup>th</sup> May 1974</b>            Dr. Mbugua Njoroge is a Member of Council. He is the Chief Executive Officer at the Kenya Association of Music Producers (KAMP). Prior to joining KAMP, Dr. Mbugua served as Head of Communication at the Institute of Certified Public Accountants of Kenya (ICPAK). He has previously served as Corporate Communications Manager at Athi Water; Corporate Affairs Manager at Kenya Broadcasting Corporation (KBC) and as English and Literature teacher with the Teachers Service Commission among other public sector entities. Dr. Njoroge holds a Ph.D from Kenyatta University, and M.A (Communication Studies) from University of Nairobi, a Master in Intellectual Property (MIP) from Africa University Mutare-Zimbabwe; a Postgraduate Diploma in Mass Communication from the University of Nairobi, a Bachelor of Law (LLB) from Mount Kenya University and a Bachelor Degree in Education (B.Ed) from Egerton University</p>



**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Ref	Council Member	Details
3.		<p><b>Mrs. Sophia Yiega</b>  <b>Date of Birth :6th October 1968</b>  Mrs. Sophia Yiega is a member of the council. She has over 25 years' experience working with the National Government and NGOs in Education, Civil Societies and Community Development. She has worked for Ministry of Education, Action Aid International, Christian Churches Educational Association (C.C.E.A), Concern World Wide, Care International Kenya, SNV Netherlands Development Organization and MEDIT Consultants. Sophia is currently the Chief Executive Officer for Women Educational Researchers of Kenya. She holds a Bachelor of Education(Arts) and M.Ed. (Psychology) from Kenyatta University.</p>
4.		<p><b>Mrs. Lily Cherono Koech-Sakaja</b>  <b>Date of Birth:16th February, 1969</b>  Mrs. Lily Cherono Koech-Sakaja is a member of the Council. She is currently serving as a Customer fulfilment specialist at NCR Kenya Ltd. Previously she served as a product Administrator at NCR Kenya Ltd and as an Accounts Assistant at AT &amp; T Global Information Solutions (Kenya) Ltd. She holds a Bachelor of Commerce Degree from Poona University, Master of Business Administration(MBA) from Daystar University and is a Certified Public Accountant of Kenya-CPA(K)</p>
5.		<p><b>Ms. Agnes. A. Odawa Kinyanyi</b>  <b>Date of Birth: 25<sup>th</sup> August 1959</b>  Ms. Agnes Odawa is a member of the Council She is a professional Educationalist with experience in Management and Administration of Education, human resource and counselling. She worked with the Ministry of Education rising to the position of Deputy Director. She holds Master of Arts (Counselling Psychology) and Post Graduate Diploma in Education from Kenyatta University and Bachelor of Arts from University of Nairobi.</p>


**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Ref	Council Member	Details
6.		<p><b>Mr. Lawrence M. Njeru</b>            Mr. Lawrence M Njeru is member of the Council and has more than 20 years' experience as Business executive in the private sector. He worked with Barclays Bank as a regional manager, Equity Bank as senior Business Growth &amp; Development Manager, UBA Kenya Ltd as Corporate Business Manager and Almasi Credit Ltd as General Manager operations, Business growth and Development. Mr.Njeru holds Bachelor of Commerce(Marketing) from Daystar University, Master of Science in Entrepreneurship from Jomo Kenyatta University of Agriculture and Technology, and Diploma in Banking. He is a member, Chartered Institute of Marketing (C.I.M) U.K</p>
7.		<p><b>Mr. Johnson Maina Mwangi</b>  <b>Date of Birth:20<sup>th</sup> December 1968</b>            Mr. Johnson Maina Mwangi is a member of the Council representing the Cabinet Secretary, National Treasury. He is currently the Deputy Director, Macro and Fiscal Affairs Department in the National Treasury. He has served as an Economist for 23 years in various Government Ministries including Office of the Vice President and Ministry of planning and National Development, Ministry of Environment and Natural Resources, Ministry of Education, Science and Technology, Ministry of Health and the National Treasury. He holds a Bachelor of Arts in Economics and Master of Arts in Economics degrees from the University of Nairobi.</p>



**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Ref	Council Member	Details
8.		<p><b>CPA. Johnson W. Njuguna</b>            CPA Johnson W. Njuguna is a member of the Council representing Principal Secretary State Department for University Education &amp; Research. Currently he serves is Deputy Accountant General and Head of Accountant Department for University Education &amp; Research. He has served for 27 years in various government ministries as Head of Accounting: Ministry of Education, Ministry of Defence, State Department for Interior and Ministry of Lands. He holds Executive MBA from Jomo Kenyatta University of Agriculture &amp; Technology and is a CPA (K)</p>
9.		<p><b>Prof. Charles O Ochola</b>  <b>Date Birth: 8th January 1961</b>            Prof. Charles O. Ochola is the Vice-Chancellor of Tom Mboya University. Before his appointment to the current position, he served as the Principal of Tom Mboya University College from May 2016 to 2nd August 2022 when it became a fully-fledged University. Previously he served as Director Students Welfare Services at Maseno University for Nine years, Co-ordinator of Evening/Parallel programmes, Chairman Department of Sociology at Maseno University, and National Council for population and Development. He has served in the various Committees within the University Administrative structure. Prof. Ochola is accomplished scholar and a Professional Social Demographer. He holds Bachelor of Arts Degree in Geography and Master of Arts in Population Studies from the University of Nairobi and PhD in Demography from the University of Liverpool.</p>



**4. Key Management Team**

Ref	Management	Details
1.		<p><b>Prof. Charles O. Ochola</b> <b>Vice-Chancellor</b> Prof. Charles O. Ochola is the Vice-Chancellor of Tom Mboya University. Before his appointment to the current position, he served as the Principal of Tom Mboya University College from May 2016 to 2nd August 2022 when it became a fully-fledged University. Previously he served as Director Students Welfare Services at Maseno University for Nine years, Co-ordinator of Evening/Parallel programmes, Chairman Department of Sociology at Maseno University, and National Council for population and Development. He has served in the various Committees within the University Administrative structure. Prof. Ochola is accomplished scholar and a Professional Social Demographer. He holds Bachelor of Arts Degree in Geography and Master of Arts in Population Studies from the University of Nairobi and PhD in Demography from the University of Liverpool.</p>
2.		<p><b>Prof. Elyjoy Muthoni Micheni</b> <b>Ag. Deputy Vice-Chancellor, Academic, Research &amp; Students' Affairs.</b> Prof. Micheni is Ag. Deputy Vice-Chancellor, Academic, Research and Students' Affairs. Before then, Prof. Elyjoy Micheni was the Director in charge of School of Business and Management Studies at the Technical University of Kenya, a position she occupied since January 2016 to 30th June 2022. Prof. Micheni has acquired 19 years uninterrupted hands-on administrative experience at different levels in the basic and higher education Management in Kenya. She has been a member of Technical University of Kenya Senate since 2009 to 30th June 2022. Prof. Micheni holds a Bachelor of Education from Kenyatta University, Kenya; Master of Science in Computer Based Information Systems, Sunderland University, UK and a Ph.D in Information Technology, Masinde Muliro University of Science and Technology, Kenya.</p>

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Ref	Management	Details
3.		<p><b>CPA Julius Okoth Otieno,</b> Mr. Julius Okoth Otieno is the Head of Finance Department. He has over 23 years' experience having worked as the Bursar, College of Education &amp; External Studies, Senior Accountant in Charge of Budget and Financial Reporting, Senior Accountant in Charge of Capital Projects among other senior positions at the University of Nairobi. He is a Certified Public Accountant of Kenya and Registered Member of Institute Certified Public Accountant of Kenya (ICPAK). He holds a BA (Economics) and Master of Business Administration (Finance &amp; Accounting) from the University of Nairobi and currently pursuing PhD in Accounting at the University of Nairobi.</p>
4.		<p><b>Mr. Jared Odoyo Malela</b> <b>Head of Academic, Research &amp; Student Affairs</b> Mr. Jared Odoyo Malela is the Ag. Registrar, Academic, Research &amp; Student Affairs. Before joining Tom Mboya University College he was the Principal of Homa Bay Agricultural Training College. He worked with the Ministry of Agriculture from 2006 in various positions as Divisional Agriculture Extension Officer, District Monitoring and Evaluation Officer, District Extension and Training Officer, Crops Development Officer and Agribusiness Development Officer. He holds a Bsc. Agricultural Education and Extension from Egerton University and is currently pursuing Msc. Land and Water Management at Kenyatta University.</p>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Ref	Management	Details
5.		<p><b>Miss. Monica Ouma</b>  <b>Head of Procurement Department</b>  Miss. Monica Ouma is Head of Procurement Department. Previously worked as a Procurement Officer at Machakos University before joining Tom Mboya University College. She is a registered member of the Kenya Institute of Supplies Management. She holds a Bachelor of Education Arts and Master of Business Administration from the University of Nairobi. She also has a Professional Diploma in Procurement and Supply from the Chartered Institute of Procurement and Supply.</p>
6.		<p><b>Mr. Wambas Washington</b>  <b>Assistant Registrar, Human Resource and Administration</b>  Mr. Wambas Washington is an Assistant Registrar in charge of Administration and Human Resource department. Previously worked as a Senior Administrative Assistant (Administration and Human Resource) at University of Kabianga before joining Tom Mboya University College. He holds a Bachelor of Science in Environmental Science with IT from Maseno University. Also serves as the secretary to the Management Board.</p>
7.		<p><b>Prof. Enose M. W. Simatwa,</b>  <b>Dean, Faculty of Education</b>  Prof. Simatwa is currently the Dean and an Associate Professor in the Faculty of Education. He joined Tom Mboya University College from Maseno University, School of Education where he had risen through the Academic line to the position of Associate Professor. He has also served as an Administrator in different capacities at Secondary and Post-secondary levels. His research areas include Social Sciences such as; Leadership and Policies, Management, Sociology and Psychology. He holds a Bachelor of Education from the University of Nairobi, Master of Education from Kenyatta University and Ph.D from Maseno University.</p>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Ref	Management	Details
8.		<p><b>Dr. Alfonse Odondo</b>  <b>Dean, Faculty of Business &amp; Economics</b>            Dr. Odondo is currently the dean and Senior Lecturer in the Faculty of Business and Economics. He joined Tom Mboya University College from Maseno University, Department of Economics. He has held various positions within the University circles in teaching and management of academic programmes. He is an Economist by profession with most of his research activities based on poverty reduction strategies with particular emphasis on rural poverty and smallholder livelihood strategies            He holds a BA(Economics), MA(Economics) and PhD(Economics) from Maseno University</p>
9.		<p><b>Dr. Irene Okello</b>  <b>Ag. Dean, Faculty of Biological &amp; Physical Sciences</b>            Dr. Irene Okello is the Acting Dean, Faculty of Biological and Physical Sciences. Before joining TMUC, she was the Dean, School of Pure and Applied Sciences at Kirinyaga University. She holds a Bachelor of Science (Mathematics &amp; Computer Science) and Master of Science in Pure Mathematics from Jomo Kenyatta University of Agriculture and Technology and PhD in Mathematics (Computational Option) from Pan African University, Institute for Basic Sciences, Technology and Innovation.</p>

## **5. Chairman's Statement**



Tom Mboya University is named after a person famed for his great passion for education and political prowess. His contribution to enhancing access to higher education for Africans, his ability to mobilise resources for the greater good; his intelligence, charm and leadership laid the foundation for many of Kenya's key policies, plans and institutions. This university holds dear, believes in and is committed to Pan-Africanism. The founding fathers of this movement believed in transformational university education. They also emphasised the dissemination and use of knowledge and research for economic empowerment.

Tom Mboya University celebrates eight (8) years of its existence, it is with a mixture of optimism and caution that it looks to the future. Optimism, because of success so far achieved and the opportunities the future holds and caution, because of the enormous uncertainties generated by the current economic challenges. Charting a course into this future requires the University to examine its strategic directions and to develop plans that can ensure success in fulfilling Tom Mboya University's mission in the decades to come.

Tom Mboya University approaches the coming decades and beyond with unprecedented optimism and initial success. The University facilities are poised to be expanded and improved; public funding and private support are anticipated and, in a move, already underway, the University will focus on the following flagship areas: Public Policy and Allied Studies; Studies of Lake Victoria and Allied Challenges; Tourism and Cultural Studies; and Food Security and Agricultural Studies.

The transformation from a University College to a fully-fledged University by the Commission for University Education affirms the positive, forward-moving momentum embodied in these events. Against this background of success, internal and external circumstances require the University not to rest on its laurels, but explore its future opportunities and possibilities. The current economic challenges have created an unprecedented and precarious external environment in which the major funding sources for public higher education have dwindled: state funding is constricting; financial pressures on students and families place serious constraints on the ability to increase tuition and other fees to offset the loss of public funding; donors are reducing their financing; and there is a major erosion in rates of return for existing investments.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

In addition to the dramatic changes in the external environment, there are internal circumstances that call for reconsideration of the University's strategic directions. Enrolments have declined raising questions about competitiveness, effectiveness, recruitment, and retention. However, affiliation with other institutions will create opportunities that have not yet been strategically realized. Such opportunities will only yield meaningful results through integration within a comprehensive strategic plan.

Arguably, the student body of the 21<sup>st</sup> century is bringing a new set of challenges and expectations to the University. Key issues facing all institutions of higher learning are that the way students now learn and what constitutes learning for them, differ from those of previous generations. We must examine how faculty and academic support systems are equipped to deal with the changes in students' learning methods. This is one facet of the academic planning question facing the University. From another perspective the question becomes "What educational programmes should be provided to which students in what environment using what resources?" Because the learning environment and resource needs will vary in educational programmes and expectations, it is the academic plan that will drive many of the other plans the University intends to implement.

Tom Mboya University is named after a person famed for his great passion for education and political prowess. With that name will come increased visibility as we promote the University, its history and its significant contributions to society. The great passion for higher education that Thomas Joseph Mboya had will continue to inspire future growth of the institution in various ways including identification of financial resources to help realise this growth.

Finally, I would like to express my special thanks to the Government for the support in realization of the University's mandate and all those who worked tirelessly to ensure continued smooth operation of this institution



**Dr. Augusta N. Abate**

**Chair of Council**

## **6. Report of the Chief Executive Officer**



It's with great honour and privilege for me to present the Annual Report and Financial Statements of Tom Mboya University for the Financial year ended June 30th, 2024.

Tom Mboya University, is the premier university in the heart of Homa Bay County. The University opened its doors in Homa Bay in 2016 as a constituent college of Maseno University with only 114 students; today we have approximately 8000 students pursuing degrees, diplomas and certificates in different fields. These future leaders are enrolled in three Faculties: The Faculty of Education, The Faculty of Business and Economics, The Faculty of Physical, and Biological Sciences. Presently, the university has grown in leaps and bounds currently boasting 37 active programmes.

Our courses are tailored to meet the modern digital and technological needs. Specifically, all our courses have an IT element. Our programs are delivered physically and through e-learning and currently we are working on developing distance learning programmes in order to reach the national, regional and international market. Further, the University is deliberately striving to cut a niche in the blue economy, being situated just few kilometres from Lake Victoria.

Over the years, Tom Mboya University has shown an upward trend of visibility in not only academics but research and community development. In terms of community development, we have an ongoing Malaria project in Collaboration with the International Centre for Malaria Research (ICMR) and other agricultural research activities that support the local community. I am also proud to state that our relationship with the County Government of Homa Bay is excellent going by the collaborations and partnerships existing.

The University boasts of modern lecture halls that can accommodate up to 2,500 students in one sitting; however, upon completion of phase II of Administration and Lecture Theatres block, we shall accommodate approximately 12,000 students at any given opportunity.

Other completed projects include; Perimeter Wall and Gate, installation of lift in the new building, installation of E-Learning and ICT Infrastructure, CCTV Cameras, purchase of Motor Vehicles, Purchase of Generator and various teaching and office equipment.

Since its inception, the University has received unqualified audit reports from the Auditor General, and on December 16, 2022, it was recognized by the promoters of the FiRe award for obtaining an unqualified audit opinion under the Public Universities category, while on December 8, 2023, it emerged as the winner under the Public Universities category.

In the financial year ended 30<sup>th</sup> June 2024, total revenue from non-exchange transactions was Kshs. 355,758,812 comprising of Kshs. 344,508,812 as recurrent grants and Kshs. 11,250,000 as Development grants as compared to Kshs. 389,135,452 for recurrent grants and Kshs. 39,430,648 for development grants in the previous financial year ended 30<sup>th</sup> June 2023.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

The University was allocated Kshs. 45,000,000 in the 2023/2024 FY printed estimates for the ongoing phased construction of administration and lecture halls block but only Kshs. 11,250,000 was disbursed.

Total Revenue from exchange transactions was Kshs. 493,539,348 comprising of Kshs. 448,241,377 from tuition fees and related charges and Kshs. 45,297,971 from catering, accommodation and other incomes. In the previous financial year ended 30<sup>th</sup> June 2023, revenue from exchange transactions was Kshs. 181,091,101 comprising of tuition fees and related charges of Kshs. 146,846,000 and catering, accommodation and other incomes of Kshs. 34,245,104.

Total recurrent expenditure in the year was Kshs. 462,005,814 while capital expenditure was Kshs. 187,463,949 compared to the recurrent expenditure of Kshs. 415,150,740 and capital expenditure of Kshs. 294,683,065 in the previous financial year ended 30<sup>th</sup> June 2023.

Due to the inadequate budgetary allocation for the ongoing Phased construction of Administration and Lecture halls block, University rationalized its budget and allocated funds to this key project in order to forestall the spiralling pending bills as it awaits transfer of the same by National Treasury through the Ministry of Education.

The University has prioritized Hostels; Library block; CT resource Centre; Laboratory complex and as key projects to address the infrastructural needs.

**Future outlook**

The new funding model for Public Universities which is student centred is going to change the revenue streams for the University. In this model Government sponsored students are to be financed through scholarships, loans and household contributions. The University must therefore put in place measures to attract more students so as to realize the benefits of the new funding model whose aim is to improve the financial performance of Public Universities. Its therefore apparent that Fund raising, revenue generation and reduction of costs have to be the Management's top priorities in the medium term and for the future of the institution. The current state of affairs renders TMU entirely dependent on government subsidies and student fees, making us extremely vulnerable.

In pursuance of the overall vision of Tom Mboya University becoming a World-Class University, through 'Knowledge for Sustainable Innovation Enterprise', our agenda/mission which focuses on sustaining, consolidating and expanding the achievements are as follows:

1. To improve the image and ranking of the University as a beacon of excellence. All hands will be on deck to improve the University's global ranking and positive image as follows:
  - a. The University will deliberately work to maintain the culture of an uninterrupted academic calendar with regular Convocation Ceremonies and yearly mobilization of graduating students for job creation. This will entail the sustenance of best practices in teaching, grading of examination scripts and timely release of results.
  - b. All academic staff will be encouraged to uphold morality, discipline and upload their highly referred publications to the University website, google scholar and research gate platforms to increase our global visibility and ranking.
  - c. All support staff will be expected to fully embrace discipline and engage in their duties to help the goose that lay the golden eggs flourish unsupervised.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

- d. Centre for Internationalization and Advancement will be established and strengthened to encourage more diaspora academics spend time in our University and collaborate with our staff on research and publications.
  - e. The requirements in the academic staff promotion guidelines for high quality research publications will be sustained. Incentives for staff who publish such papers will be created and funded resources allowing.
  - f. A non-negotiable and Sustained effort to ensure that we produce high quality graduates who will not only be job seekers but also job creators.
  - g. The culture of public and inaugural lectures will be established, sustained and supported.
  - h. The culture of seriousness in all academic and administrative activities of the University already established will be sustained and strengthened.
2. To mitigate the challenges of infrastructure, the University shall adopt fully the policy of blended learning i.e. combination of online learning and face-to-face interactions. The basic requirements for its implementation are:
- a. Provision of modern classrooms equipped with multimedia and public address systems.
  - b. Provision of necessary IT infrastructure
3. Staff Training
- a. The Academic Staff Training and Development Programme will be strengthened to allow more staff to benefit. If and When funds allow the conditions for award of the foreign component of training will be explored and tightened to ensure that all the beneficiaries come back to the University after the completion of their studies. The local component will be expanded to accommodate more academic staff
  - b. The Centre for Human Resources Development will be created and strengthened to live up to its mandate of organizing intensive classes targeted at improving the productivity of staff especially the non-teaching staff locally. Minimum performance requirements will be defined for use as criteria for confirmation and retention of staff.
  - c. Academic staff is and shall be encouraged and obligated to seek for research grants from research agencies.
4. Infrastructure: Despite some enormous work already done, a lot still needs to be done in the area of physical infrastructure as follows.
- a. Serious efforts will be made to complete the on-going projects in the University and to construct more staff offices, more classrooms, lecture auditoria, large examination halls, functional laboratories and students and staff housing units.
  - b. Efforts will be made to open up all weather and tarmac roads within the Campus.
  - c. Private hostel developers will be encouraged to build hostels for the students on private partnership agreement. A situation where all/most of the students live off Campus is not good for our global ranking.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

- d. All efforts will be made to sustain the existing steady power supply from the hybrid (KPLC and Generator) power plant.
  - e. The problem of regular water supply from HOMA WASCO will be given serious attention. Efforts has been made to sink a borehole to supplement as a strategic intervention in the Campus.
5. ICT Unit: The ICT unit will be strengthened and supported to ensure regular and reliable internet services. Highly qualified IT experts will be recruited and necessary IT infrastructure will be provided to ensure that the ICT Unit hosts and manages most of the online services of the University such as admissions, fee payment, course registration, hostel allocation, examinations, results processing, transcript processing, online learning etc.

In conclusion, the University intends to continuously look into ways of improving and providing world-class service at all customer touch points, not only in the lecture hall but also in other aspects of students' life.

Finally, I would also like to express my special thanks to Tom Mboya University Council, the staff and students and the larger Homabay Community for their continued and unwavering support to ensure realization of the growth of TMU.



**Prof. Charles Omondi Ochola**  
**Vice-Chancellor**

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

Tom Mboya University has 11 strategic pillars and objectives. These strategic pillars are as follows:

Pillar 1: Training

Pillar 2: Research and Consultancy

Pillar 3: Physical Infrastructure and facilities

Pillar 4: ICT Infrastructure

Pillar 5: Resource Mobilization and Visibility

Pillar 6: Leadership and Integrity (Governance)

Pillar 7: Human Resource Management

Pillar 8: Safety and Security

Pillar 9: Quality Assurance

Pillar 10: Students Welfare and Management

Pillar 11: Cross Cutting Issues

Tom Mboya University develops its annual work plans based on the above 10 pillars. Assessment of the Board’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 10 strategic pillars, as indicated in the diagram below.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Training	To design, develop and mount unique market driven, teaching, research and outreach programmes	No. of undergraduate programmes designed in the area of public policy and allied studies. -Letter of Authority. -No. of Certificate programmes designed and developed. -Partnership proposals and signed MoUs -No. of youths and vulnerable groups trained. -e-learning platform and	i. Design and develop undergraduate programmes in the areas of: a. Public Policy and allied studies; b Lake studies and allied challenges; ii Seek accreditation from CUE iii Design and develop capacity building ICT certificate programmes. iv Collaborate with county governments on	-Designed, developed and submitted to CUE Academic programmes in Lake studies and allied challenges, Public Policy and allied studies. -Collaborated with Ndhwa Constituency to offer basic ICT training to youths and vulnerable groups -E-learning platform developed

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		<p>infrastructure created and online common courses mounted</p>	<p>giving basic ICT training to youths and vulnerable groups.  v Build e-learning platform to mount common courses such as HIV &amp; Aids determinants, prevention and management.</p>	
<p>Pillar 2: Research and Consultancy</p>	<p>-To promote research and consultancy activities for creation and dissemination of knowledge.</p>	<p>-Policy on management of TMUC's research activities.  - Publications of Research activities.  -</p>	<p>i. Establish a coordination unit for research and consultancy activities.  ii. Develop a research policy.  iii. Identify community, county and national research and development needs.  iv. Build collaborative partnership on research and consultancy in the areas of agriculture and food security; and common diseases around Lake Victoria  v. Train staff on writing a competitive research grant proposal.</p>	<p>-Research policy developed and approved.  -Staff trained on writing grant winning research proposal.  <b>Collaborations</b>  -International Centre of excellence in Malaria Research Project(ICEMR)  -TMU, Thika way Investment Limited and DBFZ, of the republic of Germany Collaborative Project.  -Cotton Victoria Project a technical regional project to strengthen cotton sector in the Lake Victoria basin supported by the Federal republic of brazil through Brazillian Cooperation agency and</p>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
				Federal University of Lavras (UFLA) -Integrated Agricultural Research for Development-IARD(Project) in collaboration with KALRO
Pillar 3: Physical Infrastructure and facilities	-To upgrade the existing physical facilities -To develop priority physical infrastructure facilities.	-Signed contracts and architectural drawings -renovation and maintenance schedules. -Standby generators -increased space for operations.	-annually audit facilities to determine their level of utilization and status. -upgrade/renovate existing facilities. -Electricity supply upgrade -Construction of the following physical facilities and infrastructure; a. Administration and lecture halls block c. Laboratory Block. d. Perimeter fence & gate. e. Power generator. f. Students' hostels. g. Civil works. h. Farm office and green houses.	The following capital projects undertaken. -Ongoing construction of Administration and Lecture theatres block. -Completion of office block and tuition block -Access road and sports field. -Power generator. -Perimeter fence and gate
Pillar 4: ICT Infrastructure	-To leverage technology(ICT) to enhance training and delivery of	-Policy documents. -Audit report on ICT status and ICT training needs assessment for staff.	i. Develop institutional ICT policy in line with the national ICT policy that includes the guiding standards	-ICT policy developed. -Staff trained on ERP. -Funding level for ICT equipment and

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
	administrative services	-training manuals and attendance lists. -Budget on ICT equipment. -Upgraded ICT software and hardware. -Monitoring and evaluation report on adherence to the ICT policy and standards guiding service provision.	ii. Conduct automation audit and undertake ICT training needs assessment for staff iii. Conduct training of staff on ERP iv. Increase funding for ICT equipment and software v. Conduct regular upgrading of ICT software to keep up with the rapid technological changes; vi. Establish and enhance ICT security systems vii. Monitor and evaluate implementation of the ICT policy and standards to guide service provision.	software increased to Kshs.20 million. -ERP upgrades conducted. -ICT security systems established and enhanced.  Ongoing  Ongoing  Ongoing
Pillar 5: Resource Mobilization and Visibility	-To expand TMU's resource base and enhance its visibility.	-Increased research grants. -Signed collaborations. -Number of IGUs initiated. -Proposal for increasing exchequer funding to the Principal Secretary in charge of University	i. Explore viable funding options through partnership and collaboration with research partners, donors, public and the private sector and friends of Tom Mboya network or foundation ii. Develop more income generating units (IGUs)	-Collaborating with International Centre of excellence in Malaria Research Project(ICEMR)  -Trained 400 youths in ICT through Ajiira digital platform in Collaboration with Ministry of ICT. -Trained 200 youths on basic

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		Education and research	iii. Leverage on the growing demand for accommodation, catering services, exhibitions and meeting facilities vi. Request for increased capitation from the treasury with justification v. Prepare and implement a cost reduction plan; vi. Promote corporate image by advertising TMU's academic programmes during education days and other relevant social forums	ICT skills in Collaboration with Ministry of ICT and Ndiwa Constituency. -Implemented a cost reduction plan leading to manageable employee costs, travel expenses, ICT expenses, library expenses and other administrative expenses. -Participated in educations in schools within Homa Bay county to promote corporate image and market academic programmes
Pillar 6: Leadership and Integrity(Governance)	-To ensure that TMU gets a charter to operate as a fully-fledged University. -To create a culture of ownership, efficiency and effectiveness in policy execution among TMU employees.	-Application for charter. -Charter -Workshop proceedings and copies of certificates of participation. -Code of conduct and ethics manual. -Policy document. -Appointment letters of corruption prevention committee and reports -	i. Meet CUE requirements for award of Charter ii. Apply for grant of Charter iii. Conduct training on accountability, good governance, resource management as well as ethics and integrity iv. Develop a code of conduct and Ethics for staff v. Develop a whistle blowers' policy	-Charter awarded -Staff and students sensitized through meetings and trainings on accountability, resource management and integrity. -Integrity assurance officers appointed and trained. -Corruption Prevention Committee appointed.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
			vi. Constitute a Corruption Prevention Committee vii. Train Integrity Assurance Officers viii. Implementation of policies, regulations and Legislations ix Strengthen internal audit department	-Management of TMU affairs by following laid down policies, regulations and legislations.  -Integrity assurance officers appointed and trained  -Policies, regulations and legislations implemented. -Internal audit department strengthened through additional staff recruitment and trainings.
Pillar 7. Human Resource Management	-To attract, develop, motivate and train qualified staff	-Approved policy. -increased budgetary allocations for personnel emoluments. -work environment survey and implementation of the recommendations. -Annual training needs assessment report. -	-Develop and implement schemes of service for staff -Conduct team building workshops/seminars for attitude change among members of staff. -Raise staffing level to 80% of the approved establishment by 2023. -Provision of quality medical care/services to staff and their legal dependents.	-Advertised and recruited 39 additional academic and key administrative staff. -Medical Insurance provided to council members, staff and their legal dependants. -Provided office space, furniture, equipment, computers and internet to staff to ensure good working environment. -Security firm contracted to

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
			<ul style="list-style-type: none"> <li>-Ensure a conducive work environment</li> <li>-Ensuring compliance to the national, safety and security standards.</li> <li>-Increase staff productivity and effectiveness at all levels by capacity development.</li> </ul>	<ul style="list-style-type: none"> <li>offer security services</li> <li>-Trained academic staff on research grant proposal writing and facilitating staff to attend professional development programmes.</li> <li>Ongoing</li> </ul>
Pillar 8: Safety and Security	-To ensure safety and security of TMU staff	<ul style="list-style-type: none"> <li>-Perimeter wall in place</li> <li>-Training reports and attendance lists and certificates.</li> <li>-Installed security gadgets.</li> <li>-Installed and serviced fire extinguishers</li> <li>-Insurance policy documents.</li> <li>-Implementation plan for ICT security systems and documented evidence of maintenance</li> </ul>	<ul style="list-style-type: none"> <li>-Construction of perimeter wall around the University;</li> <li>-Conduct sensitization trainings for both staff and students on safety and security preparedness;</li> <li>-Installation of surveillance cameras, scanning gadgets at all University critical points</li> <li>-Installation and maintenance of firefighting equipment and conduct fire drills</li> <li>-Insurance of University assets</li> <li>-Establish and enhance ICT security systems</li> </ul>	<ul style="list-style-type: none"> <li>-Awarded contract for the Construction of perimeter wall and gate house.</li> <li>-Firefighting equipment installed and regularly maintained.</li> <li>-Assets insured against possible risks.</li> <li>-Ongoing</li> </ul>
Pillar 9: Quality Assurance	-To develop a culture of quality in service delivery in TMU	<ul style="list-style-type: none"> <li>-Quality assurance unit in place.</li> <li>-Increased budgetary</li> </ul>	-Establish a quality assurance Unit	-Quality Assurance Unit established and staff appointed.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		<ul style="list-style-type: none"> <li>allocation for personnel emoluments</li> <li>-Policy document.</li> <li>-QMS operations procedures manual.</li> <li>M&amp;E reports</li> <li>-ISO 9001:2015 Certificate</li> </ul>	<ul style="list-style-type: none"> <li>-Recruit/Appoint key staff of the QA Unit</li> <li>-Develop a Quality Assurance policy.</li> <li>-Document the University's processes and operations procedures</li> <li>-Operationalize the M&amp;E function of the QA Unit</li> <li>-Obtain ISO Certification against ISO 9001:2015 standards</li> </ul>	<ul style="list-style-type: none"> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> </ul>
Pillar 10: Students Welfare and Management	<ul style="list-style-type: none"> <li>-To strengthen student welfare services</li> <li>-To develop programmes geared towards addressing the welfare of needy students</li> </ul>	<ul style="list-style-type: none"> <li>-Dean of students' appointment letter/advert</li> <li>-Survey report.</li> <li>-Implementation status report.</li> <li>-M &amp; E frame work.</li> <li>-Appointed games tutor.</li> <li>-No. of cultural weeks held.</li> <li>-No. of CSR activities identified.</li> <li>-Career office in place</li> <li>-No. of students placed in internship reports</li> </ul>	<ul style="list-style-type: none"> <li>-Recruit/Appoint Dean of Students</li> <li>-Undertake a survey on students counselling needs</li> <li>-Implement the survey report</li> <li>-Develop M&amp;E and referral framework for counselled cases.</li> <li>-Undertake students' financial needs assessment survey</li> <li>-Develop a comprehensive Student works study Programme</li> <li>-Establish a fund for a Work-Study Programme</li> <li>-Strengthen the existing games department</li> <li>-Undertake a cultural and arts week</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment of Dean of Students initiated.</li> <li>Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> <li>-Ongoing</li> </ul>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
			<ul style="list-style-type: none"> <li>-Identify Corporate Social Responsibility activities</li> <li>-Establish and operationalize Career Services Office</li> <li>-Identify internship and placement opportunities for students</li> <li>-Develop procedures and guidelines for students on exchange programs</li> </ul>	-Ongoing
Pillar 11: Cross Cutting Issues	-To mainstream cross cutting issues	<ul style="list-style-type: none"> <li>-Policy documents.</li> <li>-additional staff</li> <li>-sensitization posters, programmes on integration</li> </ul>	<ul style="list-style-type: none"> <li>Develop and implement policy on;</li> <li>-Disability Mainstreaming</li> <li>-HIV and AIDS mainstreaming</li> <li>-Alcohol, Drug and Substance Abuse</li> <li>-Gender Mainstreaming</li> <li>-Strengthening the AIDS Control Unit</li> </ul>	-Ongoing

## **8. Corporate Governance Statement**

Tom Mboya University Council is responsible for the governance of the institution and is accountable to the stake-holders for ensuring that the institution complies with the law and the best practices in Educational Governance and Business Ethics.

The Council members are committed to the need to conduct the business and operations of the University with integrity, accountability, transparency, responsibility and fairness in accordance with Generally Accepted Standards and endorse the internationally developed principles of good governance. The institution's stewardship is committed to complying with statutory requirements as outlined in the Universities Act, 2012 and the Code of Governance for State Corporations (Mwongozo, 2015).

### **Appointment of the Council**

Tom Mboya University Council is appointed by the Cabinet Secretary and constituted in accordance with the provisions of Section 36 of the Universities Act, 2012. The procedure, conduct and regulation of the affairs of the Council is determined in accordance with the University Charter and Statutes. The Council exercises prudent leadership, innovative enterprise, and good judgment in directing the University and shall always charter in the best interest of the University.

### **Functions of the Council**

Pursuant to the provisions of Section 15 of Tom Mboya University Charter, the Council has the following functions:

- a) developing and approving the Statutes of the University;
- b) determining the method of recruitment, appointment and promotion of all staff of the University;
- c) conferring the titles of Emeritus Professor, Visiting Professors, Honorary Professor, Honorary Lecturer, or Honorary Fellow on the recommendation of the Senate;
- d) approving the budget;
- e) promoting and making financial provisions and facilities for execution of the functions of the University;
- f) determining all fees payable to the University after on the recommendation of the Senate;
- g) approving the investment of any money belonging to the University including any unutilized income, in such stocks, funds, fully paid shares or securities as the Council may from time to

- time deem fit, in accordance with the general law for the investment of trust moneys or in the purchase of freehold or leasehold properties, including rents and varying such investments from time to time by sale or re-investment or otherwise subject to the Act;
- h) mobilizing resources subject to the relevant laws and procedures;
  - i) approving the sale, purchase, exchange, lease, or leasing movable and immovable property on behalf of the University subject to the laid down government procedures;
  - j) approving the borrowing of money on behalf of the University subject to laid down government procedures and for that purpose and subject to the Act, mortgaging or charging all or any part of the property unless the conditions of the property so held provide otherwise and giving such other security whether upon movable or immovable property or otherwise as the Council may deem fit;
  - k) on the recommendation of the Senate, providing for the creation of new divisions, faculties, schools, institutes, departments, centers of other bodies of learning, research and production in the University, in accordance with the Statutes, whether newly established or by the subdivision of any existing body and approving the abolition or subdivision of any such body;
  - l) on the recommendation of the Senate, instituting fellowships, scholarships, studentships, exhibitions, bursaries, prizes and other aids to study and research;
  - m) approving the terms and conditions upon which internal and external examiners may be appointed by the Senate;
  - n) empowering committees to act jointly with any Committees appointed by the Senate, provided that the Council shall not delegate to the Chairperson or to any Committee the powers to approve the annual estimates of expenditure of the University without reference to the Council;
  - o) approving regulations governing the conduct and discipline of the students of the University;
  - p) receiving donations, endowments, gifts, grants or other moneys on behalf of the University and making legitimate disbursements therefrom;
  - q) approving the Constitution of the Students Association and so far as is reasonably practicable, ensuring that the Students' Association operates in a fair and democratic manner and is accountable for its finances;
  - r) providing for the welfare of the Staff and Students of the University;
  - s) approving regulations governing the recruitment, conduct and discipline of the staff of the University;

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

- t) monitoring and evaluating the implementation of strategies, policies, and the management criteria and plans of the University;
- u) constantly reviewing the viability and financial sustainability of the University, and doing so once every year;
- v) ensuring that the University complies with all the relevant laws, regulations, governance practices, accounting and auditing standards; and
- w) performing such other duties as may be provided for in the Statutes.

**Committees**

Tom Mboya University Council constituted four (4) standing committees with clearly defined terms of reference in the Committee Charters. The four (4) committees are:

- a) Audit and Risk Management Committee;
- b) Academic and Research Committee;
- c) Finance, Planning and Investment Committee; and
- d) Executive and Human Resource Committee;

Appointment to a committee is done with consideration of member skills and experience, committees act on delegated authority from the Council. The membership of the committees during the FY2022/2023 was as detailed in Table.1.

**Table 1: Council and Committees membership**

<b>COMMITTEE</b>	<b>MEMBERS</b>
<b>Council</b>	1. Dr. Augusta N. Abate - Chairman 2. Ms. Lily C. Koech Sakaja - Member 3. Mr. Lawrence M. Njeru - Member 4. Dr. Mbugua Njoroge - Member 5. Ms. Sophia Yiega - Member 6. Ms. Agnes A. Odawa - Member 7. Prof. Julius O. Nyabundi - Co-opted Member 8. CPA. Johnson W. Njuguna - Member/Alternate to the PS, State Department for Higher Education and Research 9. Mr. Johnson M. Mwangi - Member/Alternate to the CS, National Treasury 10. Mr. Victor M. Momanyi - Deputy Inspector General - Inspectorate of State

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

<b>COMMITTEE</b>	<b>MEMBERS</b>	
		Corporations
	11. Prof. Charles O. Ochola -	Vice-Chancellor /Secretary
<b>Audit and Risk Management Committee</b>	1. Ms. Agnes A. Odawa -	Chairman
	2. Dr. Mbugua Njoroge -	Member
	3. Mr. Lawrence M. Njeru -	Member
	4. Mr. Johnson M. Mwangi -	Member/Alternate to the CS, National Treasury
	5. Internal Auditor -	Secretary
<b>Academic and Research Committee</b>	1. Ms. Sophia Yiega -	Chairman
	2. Mr. Lawrence M. Njeru -	Member
	3. CPA. Johnson W. Njuguna -	Member/Alternate to the PS, State Department for Higher Education and Research
	4. Mr. Johnson M. Mwangi -	Member/Alternate to the CS, National Treasury
	5. Prof. Charles O. Ochola -	Vice-Chancellor /Secretary
<b>Finance, Planning and Investment Committee</b>	1. Ms. Lily C. Koech Sakaja -	Chairman
	2. Ms. Sophia Yiega -	Member
	3. CPA. Johnson W. Njuguna -	Member/Alternate to the PS, State Department for Higher Education and Research
	4. Mr. Johnson M. Mwangi -	Member/Alternate to the CS, National Treasury
	5. Prof. Charles O. Ochola -	Vice-Chancellor /Secretary
<b>Executive and Human Resource Committee</b>	1. Dr. Mbugua Njoroge -	Chairman
	2. Ms. Lily C. Koech Sakaja -	Member
	3. Ms. Agnes A. Odawa -	Member
	4. Prof. Julius O. Nyabundi -	Co-opted Member
	5. CPA. Johnson W. Njuguna -	Member/Alternate to the PS, State Department for Higher Education and Research
	6. Prof. Charles O. Ochola -	Vice-Chancellor /Secretary

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

**Council and Committee Charters**

The Council and Committees Charters have been developed and adopted defining the role, responsibilities and functions of the Council and respective committees on the governance of the University. The Board Charters are reviewed as and when necessary.

**Council and Committee Meetings**

At the beginning of each financial year, the Council undertakes the preparation of an almanac to provide guidance for the planning of both Committee and Council activities. The almanac is prepared taking into consideration the provisions of the State Corporations Act, the Code of Governance for State Corporations (Mwongozo, 2015) and the relevant Circulars with regards to meetings. The meeting dates are aligned to submission dates for statutory quarterly and annual reports required by various Government Agencies and any other meeting(s) of Council or Committees are held as and when necessary as provided for by the responsibilities of each Committee. The attendance of council and committee meetings for the FY2023/2024 are detailed in Table.2.

**Table 2: Council Meetings**

S/No.	Name of Member	Council	Audit and Risk Management Committee	Academic and Research Committee	Finance Planning and Investment Committee	Executive and Human Resource Committee
1.	DR. AUGUSTA N. ABATE	9				
2.	MS. LILY C. KOECH SAKAJA	9			6	7
3.	MR. LAWRENCE M. NJERU	9	4	5		
4.	DR. MBUGUA NJOROGE	9	4			7
5.	MS. SOPHIA YIEGA	9		5	6	
6.	MS. AGNES A. ODAWA	9	4			7
7.	CPA. JOHNSON W. NJUGUNA	9		5	6	7
8.	MR. JOHNSON M. MWANGI	8	3	4	5	
9.	MR. VICTOR M. MOMANYI	2				
10.	PROF. JULIUS O. NYABUNDI	8				6

### **Conflict of interest**

The leadership and Integrity Act, 2012 and related laws, require that if a conflict of interest exists in the exercise of a Committee member's duties, then they are obliged to disclose such conflict of interest. During the period there was no conflict of interest was declared.

### **Council remuneration**

The Council activities are budgeted for within the required percentage of the total University budget and the remuneration of the Council members is as guided by the relevant Circulars from the State Corporations Advisory Committee (SCAC) and the head of Public Service.

### **Council Annual Performance Evaluation**

The annual Council Performance Evaluation is conducted as a self/peer review with each Council Member completing the forms for the Council (BE1), the Chairperson (BE2), Individual Council Members (BE3) and CEO (BE4) through the State Corporations Information Management System Module (SCIMM) and facilitated by the State Corporations Advisory Committee (SCAC).

The FY 2023/2024 Performance Evaluation of the Council is scheduled for 2<sup>nd</sup> September, 2024. The Council Performance for the FY 2022/2023 raw score was 4.809 (percentage score of 96.18) compared to the FY 2021/2022 raw score of 4.8833 (percentage score of 97.6667), FY 2020/2021 raw score of 4.7088 (percentage score of 94.18) and the FY2019/2020 raw score of 4.5932 (percentage Score of 91.86).

## **9. Management Discussion and Analysis**

### **Financial Reporting (FiRe) Award**

Tom Mboya University participates in the Financial Reporting (FiRe) award and on 16th December 2022 it was recognized by the promoters of FiRe award for obtaining unqualified audit opinion under the Public Universities Category while on 8th December 2023 it emerged the Winner under the Public Universities category.

The University since inception has obtained unqualified audit opinion from the Auditor General pointing to excellence in financial stewardship and management.



*Prof. Charles. O. Ochola, Vice-Chancellor front row second left, Dr. Augusta N. Abate, Chair of Council, other members of the University Council and Finance Department Staff receiving trophy for emerging the Winner in FiRe Award 2023 under the Public Universities Category during the FiRe award Ceremony held at Safari Park Hotel on 8th December 2023.*



*Prof. Elyjoy M. Micheni Ag. DVC, Academic, Research and Students Affairs(Left), and CPA Julius O. Otiemo Head of Finance, Tom Mboya University receiving Certificate of recognition for Excellence in Financial Reporting from FCPA Fredrick Riaga(Centre) CEO Public Sector Accounting Standards Board during the FiRe Award Ceremony held at Safari Park Hotel on 16th December 2022.*

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Student Enrolment**

The University has approximately 8,000 students enrolled in various programmes in the Faculty of Education, Faculty of Business and Faculty of Biological and Physical Sciences.

The following is a summary of the student enrolment based on placement by the Kenya Universities and Colleges Central Placement Service (KUCCPS) into the various academic programmes from 2016/2017 to 2023/2024 academic years.

Academic Year	Male	Female	KUCCPS Admissions Across All Programmes
2016/2017	85	43	128
2017/2018	462	335	797
2018/2019	276	164	440
2019/2020	466	228	694
2020/2021	708	420	1128
2021/2022	700	499	1199
2022/2023	486	465	951
2023/2024	1099	840	1939
	<b>4,282</b>	<b>2,994</b>	<b>7,276</b>

Since its establishment Tom Mboya University has conferred degrees and awarded Diplomas and Certificates to 1,319 graduands as indicated below:

Year	Male	Female	Total
2018	14	16	30
2019	10	16	26
2021	52	40	92
2022	433	296	729
2023	270	172	442
<b>Total</b>	<b>779</b>	<b>540</b>	<b>1,319</b>

**Revenue performance trends**

The table below gives a summary of the revenue performance trends of the University over the last six years.

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Recurrent Revenue</b>						
GoK recurrent grants	186,711,498	389,990,000	382,766,000	408,022,000	389,135,452	344,508,812
Appropriations in Aid	67,467,190	93,204,000	81,827,000	205,928,000	181,091,104	493,539,348
<b>Total Recurrent Revenue</b>	<b>254,178,688</b>	<b>483,194,000</b>	<b>464,593,000</b>	<b>613,950,000</b>	<b>570,226,556</b>	<b>838,048,160</b>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Development Revenue	250,000,000	105,871,000	65,161,000	80,000,000	39,430,453	11,250,000
<b>Total Revenue</b>	<b>504,178,688</b>	<b>589,065,000</b>	<b>529,754,000</b>	<b>693,950,000</b>	<b>609,657,009</b>	<b>849,298,160</b>
<b>Percentage of GOK recurrent grants</b>	<b>37</b>	<b>66</b>	<b>72</b>	<b>59</b>	<b>64</b>	<b>41</b>
<b>Percentage of AIA</b>	<b>13</b>	<b>16</b>	<b>15</b>	<b>30</b>	<b>30</b>	<b>58</b>
<b>Percentage of GOK Development grants</b>	<b>50</b>	<b>18</b>	<b>12</b>	<b>12</b>	<b>6</b>	<b>1</b>

The University received Kshs. 344,508,812 in the 2023/2024 FY as recurrent grants from the government of Kenya representing 41% of the total revenue compared to Kshs. 389,135,000 received in 2022/2023 FY. In addition, Kshs. 493,539,348 was received as Appropriations in Aid in 2023/2024 FY representing 58% of the total revenue compared to Kshs. 181,091,104 for 2022/2023 FY. The increase in AIA in FY 2023/2024 is attributed to the implementation of the New funding model for public Universities.

The University received Kshs. 11,250,000 in the 2023/2024 FY as Development grant representing 1% of the total revenue compared to Kshs. 39,430,453 in FY 2022/2023. The funds were for the Construction of Administration and Lecture Halls Block. The University had been allocated Kshs. 45,000,000 in the FY 2023/2024 printed estimates but later revised to Kshs. 11,250,000 in the supplementary budget.

Due to the inadequate and dwindling development grants, the university reallocated funds from recurrent budget to finance the ongoing Phased construction of Administration and Lecture halls block which is a key project geared towards supporting university key mandate.

**Expenditure Performance trends**

The table below gives a summary of the expenditure performance trends of the University over the last six years.

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Expenditure</b>						
Staff costs	148,870,107	161,187,037	191,257,808	207,796,375	222,485,541	251,101,086
Council Expenses	17,573,204	10,187,278	19,693,041	14,988,450	16,746,296	12,856,234
Depreciation and amortization expense	24,747,142	34,596,752	54,770,713	59,618,463	47,218,585	60,391,989
Repairs and maintenance	3,649,455	9,065,564	12,211,408	7,218,937	13,101,208	9,674,523
General expenses	66,168,541	86,025,108	114,617,238	109,647,425	115,599,110	127,981,982

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Total recurrent expenditure</b>	<b>261,008,449</b>	<b>301,061,739</b>	<b>392,550,208</b>	<b>399,269,650</b>	<b>415,150,740</b>	<b>462,005,815</b>
Property, Plant & Equipment (PPE)	37,792,242	169,838,839	381,807,500	268,255,269	294,683,065	187,463,949
<b>Total Expenditure</b>	<b>298,800,691</b>	<b>470,900,578</b>	<b>774,357,708</b>	<b>667,524,919</b>	<b>709,833,805</b>	<b>649,469,763</b>
Percentage of staff costs to recurrent revenue	58.57	33.36	41.17	33.85	39.02	29.96
Percentage of recurrent expenditure to total expenditure	87.35	63.93	50.69	59.81	58.49	71.14
PPE to total expenditure	12.65	36.07	49.31	40.19	41.51	28.86

**Performance trend of assets and liabilities**

The table below indicates the performance trends of assets, liabilities and net assets of the University over the last six years.

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Current Assets	351,153,553	546,543,380	444,101,620	482,571,641	441,263,228	779,932,432
Current Liabilities	91,231,689	87,261,281	166,156,737	118,583,115	130,232,718	208,681,537
<b>CA:CL Ratio**</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>
Non-Current Assets	367,032,011	502,274,098	847,710,886	1,056,347,691	1,303,812,171	1,430,884,133
Net Assets	626,953,877	961,556,197	982,707,663	1,420,336,217	1,614,842,681	2,002,135,027
<b>Total Assets</b>	<b>718,185,565</b>	<b>1,048,817,478</b>	<b>1,291,812,506</b>	<b>1,538,919,332</b>	<b>1,745,075,399</b>	<b>2,210,816,565</b>

\*\* CA: Current Assets

CL: Current Liabilities

The University's financial position has remained sound over the years as demonstrated by the above trend. The ratio of current assets to current liabilities is 4 which is an excellent liquidity position meaning the University is able to meet all its financial obligations as and when they become due.

The University through prudent use of financial resources has undertaken the following completed and ongoing capital and development projects.

- Office and Tuition Block now converted into a library block
- dining hall
- Generator house;
- Access roads
- sporting fields
- Phased construction of Administration Lecture Theatres Block
- Gate and Perimeter Wall.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

- E-Learning and ICT infrastructure
- Installation of lift in the completed Phase I of Administration Lecture Halls and Theatre Halls block
- Purchase of 250 KVA Generator
- Purchase of Motor Vehicles
- CCTV Installation
- Various teaching plant and equipment.



**Administration and Lecture Halls Block**

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---



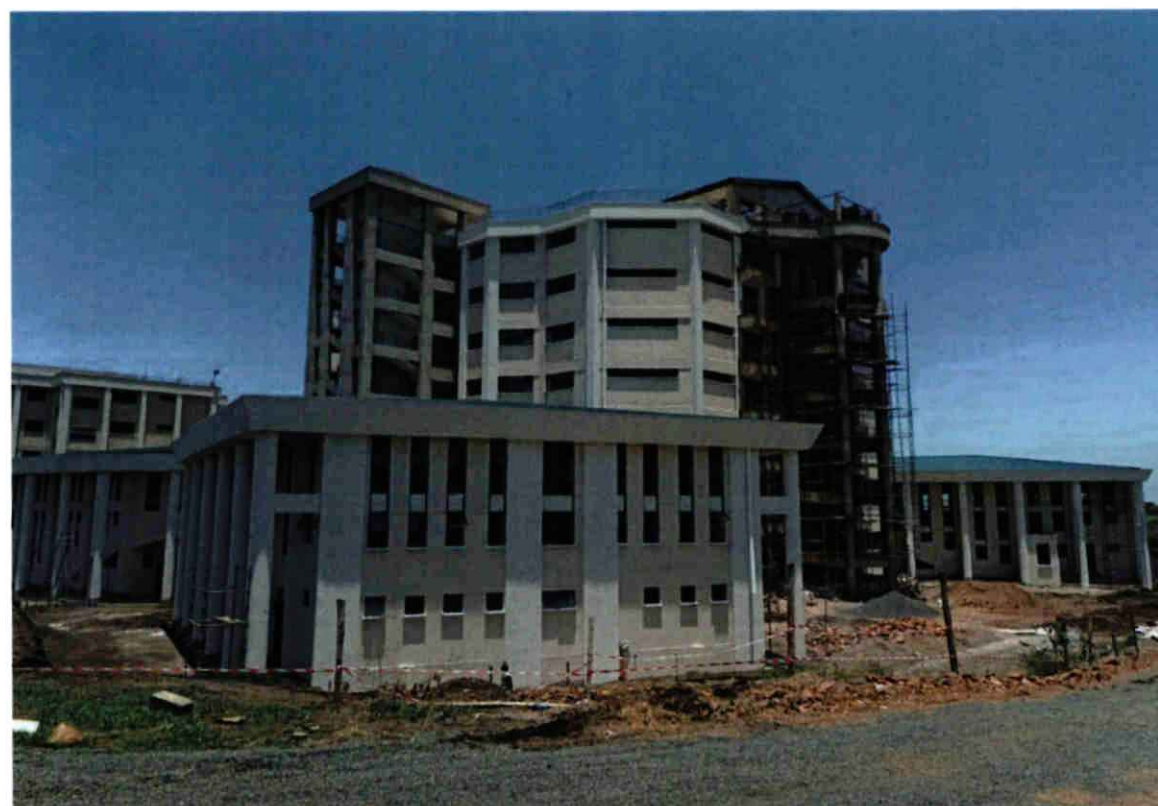
**University Main Gate**



**Section of University partial perimeter Wall**

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---



**Ongoing Phased Construction of Administration and Lecture Theatres Block**

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**Compliance with statutory requirements**

The University has complied with all statutory obligations as per its mandate. It is not exposed to any contingent liabilities in this regard. Due to stagnating recurrent capitation, the University is anticipating difficulties in remitting statutory deductions in the near future.

**Key projects and investment decisions the entity is planning/implementing.**

**Ongoing Project**

Currently, TMU has **one** ongoing project on phased out construction of Administration and Lecture Theatres block. The Administration and Lecture Theatre block will offer a 10,000-sitting capacity (Phase I – 2,000 and Phase II – 8,000) to accommodate the increase in student numbers. Phase I of the project is complete while Phase II is ongoing and as per the signed contract it is expected to be completed by 27<sup>th</sup> June 2024. Due to inadequate budgetary allocations, this project is accumulating pending bills. The University has requested for enhanced budgetary allocation to enable it pay for the pending bills and the ongoing works.

**New Projects**

The University submitted Project Concept Notes and Prefeasibility Studies for the following much needed infrastructure to the National Treasury through the Ministry of Education for consideration and approval.

- Laboratory Complex
- Library and ICT Resource Centre
- Hostels
- Administration Block

It is in light of these much-needed developments that in the meantime besides appealing to the State Department of University Education and Research for more allocation of funds, it has become apparent that Fund raising has to become a top priority. The current state of affairs where we are almost entirely dependent on government subsidy and student fees makes us extremely vulnerable. Ultimately there will be need to seek creative alternative sources of income in the medium term and for the future of the institution. Other facets of our implementation strategy include:

- Strengthening of management and administrative processes and procedures for efficient running of the University.
- -Adoption of a compliance framework for all departments and entities of the University.
- -Ensuring accountability of all staff especially those holding managerial positions.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

- -Marketing and Communication strategy to improve the visibility and presence of the University.
- -Cultivation of strong links with the communities in our region.

**Major risks facing the entity.**

The major risk facing the University is the implementation of the new funding model for public universities. The University has to ensure it admits students numbers that can make it break even so as remain financially sustainable.

**Material arrears in statutory/financial obligations**

The University continues to meet its statutory and financial obligations as and when they fall due.

**Financial probity and serious governance issues**

Tom Mboya University does not have any major financial improbity which has been reported by either Internal Audit Department, Audit Committee of the Council, Auditor General or any other National Government agencies providing oversight. In addition, there are no serious governance issues among the Council members and top management including conflict of interest.

## **10. Environmental and Sustainability Reporting**

In association with the brand name Tom Joseph Mboya, our mandate is facilitating the creation, sharing, effective exploitation and utilization of knowledge for the greatest wellbeing of society (within the framework articulated by law and its statutes). The focus of the University is the acquisition of knowledge and its practical application based on more hours of contact, fieldwork, and industrial attachment. This would give students a holistic understanding of the environment upon which they will operate as professionals. In particular, this would ensure that the graduates from Tom Mboya University are capable of self-employment and job creation rather than relying on the already scarce formal employment. TMU plays a focused role of the attainment of goals of job creation and industrial growth through exploitation of national skills and resources as articulated in the Kenya Vision 2030.

### **i) *Sustainability strategy and profile***

TMU just like all public universities in Kenya faces financial challenges despite the fact that it relies on direct support from the government and the income generated from government sponsored students. TMU, will therefore continue to seek enhanced government support, while consciously aware that public universities have been called upon to reduce their dependence on the government by diversifying their sources of income, ensuring the maximized efficient and cost-effective use of available resources, and establishing comprehensive financial management systems. Since its inception in May 2016, the University through prudent use of financial resources has achieved the following:

- i. Increase in student enrolment;
- ii. Growth in staff numbers (both teaching and administrative);
- iii. Completion of ongoing and renovation of existing infrastructural developments and initiation of new projects;
- iv. Development of the University Master Plan and the Strategic Plan 2018 – 2023;
- v. Revitalized research activities, establishment of linkages and collaborations, community engagement through extension and outreach.

### **ii) *Environmental performance***

The preamble to the 2010 Kenyan constitution stipulates that “respectful of the environment and determined to sustain it for the benefit of future generations.” Article 69(1) calls upon “every person to cooperate with state organs and other persons to protect and conserve the environment and ensure ecologically sustainable development and use of natural resources.” Section 3(1) of the Environment

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

Management and Coordination Act (Cap 387 Laws of Kenya) confirms that “Every person in Kenya is entitled to a clean and healthy environment and has the duty to safeguard and enhance the environment” and seeks to have a clean, secure and sustainable environment by 2030. Consequently, and in pursuit of its mandate, the university has in addition to offering appropriate courses on environmental sciences:

- Created awareness of the need of all members of the university community to actively protect and conserve the environment and ensure ecologically sustainable development and use of natural resources.
- Adopted proactive, enterprise-wide systematic management practices and approaches to assess environmental risks and opportunities, increased focus on maximized efficient use of resources and to promote activities that create significantly more value for the society and environmental sustainability.

Encouraged students to organize themselves in environment support groups, to work and address environmental concerns or issues that interest or affect them, such as waste transportation and disposal, conservation of local ecosystems and water conservation and sanitation and any other areas of interest.

**iii) *Employee welfare***

Tom Mboya recognizes that human resources at all levels is key in the provision of quality services to its customers and other stakeholders. In this regard, the University has continued to attract, competitively recruit and retain qualified and competent staff. The recruitment, promotion, training and remuneration of employees at TMU is guided by the following.

- Terms and Conditions of service of Public officers
- TMU Human Resource Policy and Procedures Manual
- Human Resource Policy and Procedures Manual for Public Service
- Human Resource Development Policy for Public Service
- Salaries and Remuneration Commission Approved Collective Bargaining Agreements
- Public Officer Ethics Act
- Occupational Safety and health Act of 2007
- Article 7 (2) of National Cohesion and Integration Act, 2008
- TMU Security and Safety Policy.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---

The University ensure compliance with the above policies and guidelines in its human resource management practices.

**iv) *Market place practices-***

**a) Responsible competition practice**

The University ensures responsible competition practices with issues like anti-corruption, responsible political environment, fair competition and respect for competitors by complying with following Laws and guidelines:

- The 2010 Constitution of Kenya
- University Act 2012
- Ethics and Anti-Corruption Commission Act
- Placement of Students by Kenya Universities and Colleges Central Placement Service (KUCCPS)
- Various circulars as issued from time to time by the Office of the President, Ministry of Education, National treasury, Commission for University Education(CUE) and other Statutory and regulatory authorities.
- TMUC Policies and Statutes

**b) Responsible supply chain and supplier relations**

The supply chain and supplier relations at the University is guided by Public procurement and asset Disposal act and regulations and The Public Finance Management Act. The University through prudent financial management ensures that suppliers of goods and services are paid as per the stipulated terms and as such no pending bills have been accumulated.

**c) Responsible marketing and advertisement**

The University maintains ethical marketing practices by embracing the following strategies:

- Rebranding the university
- Development and implementation of the marketing plan for the university
- Positioning the university based on its uniqueness
- Launching campaigns focusing on the business community and prospective customers
- Launching marketing campaign on key achievements of the university since its inception

- Continuously engage external stakeholders for positive perception
- Continuously communicate with internal stakeholders through structured quarterly meetings

**d) Product stewardship**

The University has ensured that the consumer rights and interests are safeguarded through the following efforts:

- Developed and implemented a faculty workload model based on CUE guidelines and the three components of teaching, research, extension and administration
- Carrying out a study on employability of TMUC graduates
- Enforce compliance to teaching schedule
- Encourage students to participate in national, regional and international competitions
- Strengthen university-industry linkage
- Developed and implemented a policy on engagement of industry practitioners as adjunct faculty
- Increased enrolment in STEM programmes
- Establishment and equipping of high value shared research facilities
- Streamline the operations of Student Organization in line with the Constitution, amended Universities Act, University Statutes and SOTMUC Constitution
- Train student leaders on leadership and management skills
- Impart soft skills to students such as good grooming, financial literacy, and personal etiquette
- Strengthen the sports and games department
- Manage hostels in accordance with the university rules and regulations to provide a suitable and sustainable living environment

**v) *Corporate Social Responsibility / Community Engagements***

TMU attaches great importance to corporate social responsibility as a sure way of building sustainable partnerships with the community. The University works with different organizations to support initiatives aimed at uplifting the standards of living by focusing on areas of education, community development, the environment, health, safety and food security.

### **Youth Empowerment**

Tom Mboya University believes in the future of technology and the youth of our beloved country, thus partnering with the Ministry of Information Communication and Technology through the Ajira Digital Program. **Ajira** is a project being coordinated by the Ministry of Information, Communications and Technology, Ministry of Public Service, Youth and Gender Affairs, Ministry of Education and Ministry of Foreign Affairs. **Ajira** seeks to position Kenya as a choice labour destination for multinational companies as well as encourage local companies and public sector to create digital work. The government digitization projects already create lots of viable micro work that can be completed by digital workers.

The main objectives are to raise the profile of digital work and;

- Promote a mentorship and collaborative learning approach to finding digital work;
- Provide Kenyans with access to digital work
- Promote Kenya as a destination for online workers.
- Training on key soft skills and financial literacy

TMU provided the youth of Homabay with a platform to be trained and be empowered to exploit the potential of Information Technology.

Access to digital work will build wealth and grow the middle class across the country. A larger middle class means more opportunities for businesses and direct growth of GDP.



TMU students during the past graduation ceremony.

## **Health**

In its bid to give back to the community Tom Mboya University has collaborated with The University of California, Irvine, of United States America in **International Center of Excellence in Malaria Research Project (ICEMR)**.

ICEMR is a global network of independent research centres in Malaria-endemic settings, such as Homa-Bay County, with an aim of providing crucial strategies for the control and eventual prevention of malaria. Among its core objectives is 'to build clinical research capacity and improve malaria control and prevention'. In this Collaborative arrangement, TMUC has provided and allocated space for set up of a laboratory towards the project.



## **Mosquito controlled environment**

### **Contribution to Economic Development**

TMU has by virtue of its presence impacted positively not only by being a centre for academic development but also significantly contributed to the growth in the economy of the County by creating demand and supply of goods and services. The following are some of the economic activities arising out of the establishment of TMU that has contributed to the growth of the economy and improvement of standards of living for the residents of Homa-Bay County:

- Leasing of Accommodation and Tuition facilities to cater for the increased student enrolment
- Opening up the region to domestic and other forms of tourism which trickles down to other businesses in the hospitality and transport industries.
- The demand for residential houses by both students and staff has increased since the inception of TMU.
- TMU as an institution has also provided big market for goods and services ranging from Contractors to suppliers of all sorts of commodities.
- The demand for goods and services as a result of increased student and staff has seen the establishment of various forms of businesses.

- Employment of Casual workers

**Cultural Diversity and promotion of peaceful coexistence**

As part of its mission to promote cultural diversity and peaceful coexistence among communities, TMU has ensured that the students enrolled within its academic programmes and staff represents the face of Kenya.



*Pro-Chancellor Dr. Augusta N Abate(left) assisted by the Vice-chancellor Prof. Charles O. Ochola awarding Ph.D degrees during the past graduation ceremony.*



*Dr. Beatrice Inyangala(Centre) Principal Secretary for State Department for Higher Education & Research, Dr. Augusta N Abate(right) Chair of Council and Pro-Chancellor and Prof. Charles O. Ochola, Vice-chancellor during the past graduation ceremony.*

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

---



*His Excellency President Uhuru Kenyatta awarding Charter to Tom Mboya University at State Lodge, Kakamega on 2<sup>nd</sup> August 2022.*



*Dr. Augusta N. Abate, Chairman of Council and Prof. Charles O. Ochola, Vice-Chancellor Tom Mboya University holding instruments of Authority in Presence of His Excellency President Uhuru Kenyatta, Cabinet Secretary for Education, Prof. George Magoha and Cabinet Secretary for Defence Hon. Eugene Wamalwa.*

## **11. Report of the Directors**

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

### **i) Principal activities**

The principal activity of the entity is to offer high quality training, carry out innovative research and community outreach programmes for sustainable socio-economic development summarised in the strategic and short-term objectives below:

- To promote academic excellence through scholarship and quality teaching.
- To promote research and extension by participating and attracting research funds and disseminations.  
To establish a strong capital and financial base through increasing relevant and quality programs, increasing access to SSP and Income Generating Activities.
- To develop, grow and maintain physical facilities/buildings and general infrastructures.
- To enhance corporate image and social responsibility through extension and outreach programs.
- To promote Coexistence, Inclusivity, Equity and Social justice.  
To attract, head hunt, recruit and retain competent human capital.

### **ii) Results**

The results of the University for the year ended June 30, 2024 are set out on page 1 to 5.

### **iii) Council**

The members of the University Council who served during the year are shown on page xi. The University was awarded Charter to operate as a fully-fledged Public University on 2<sup>nd</sup> August, 2022 and the University Council was appointed effective 5<sup>th</sup> August, 2022.

### **iv) Surplus remission**

Tom Mboya University is not a Regulatory Authority and is therefore exempted from the remission of surplus funds as per section Section 219 (2) of the Public Financial Management Act regulations.

### **v) Auditors**

The Auditor-General is responsible for the statutory audit of the University in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Council



**Prof. Charles O. Ochola**  
**University Council Secretary**

## **12. Statement of Directors Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and The Universities Act No. 42 of 2012 requires the Council to prepare financial statements of the University which give a true and fair view of the state of affairs of the University as at the end of each financial year and of its operating results for that year. The Council is also required to ensure that the University maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the University. They are also responsible for safeguarding the assets of the University.

The Council is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public-Sector Accounting Standards (IPSASs) and in the manner required by the Kenyan Public Finance Management Act, and for such internal controls as the council determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Council accepts responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act, 2012 and the State Corporations Act Cap 446. The Council is of the opinion that the University financial statements give a true and fair view of the state of the University's financial affairs of the company and of its financial performance. The Council further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of the University's financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Council that indicate 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's financial statements were approved by the Council on 23<sup>rd</sup> September, 2024 and signed on its behalf by:



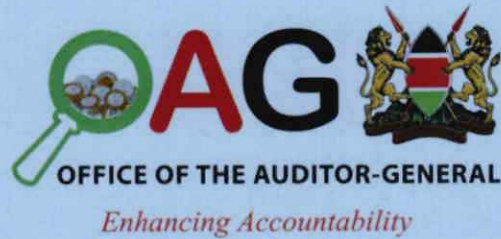
**Dr. Augusta N. Abate**  
**Chairman of Council**



**Prof. Charles O. Ochola**  
**Vice-Chancellor**

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON TOM MBOYA 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 the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in 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 the 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of Tom Mboya University set out on pages 1 to 43, which comprise the statement of financial position as at 30 June, 2024,

and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Tom Mboya 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 Opinion**

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

### **Emphasis of Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects total revenue budget of Kshs.730,965,812 and actual revenue of Kshs.849,298,160 resulting in Kshs.118,332,348 or 16% revenue surplus which could be an indicator of low set targets. Similarly, the statement reflects a budgeted expenditure of Kshs.730,965,812 and actual expenditure of Kshs.649,469,764 resulting in a net under-expenditure of Kshs.81,496,048 or 11% of available funds.

The under expenditure may have impacted negatively in the service delivery and completion of budgeted activities by the University.

#### **2. Under Funding of the Proposed Construction of Phased Administration and Lecture Halls Blocks**

The statement of financial position reflects property, plant and equipment balance of Kshs.1,422,955,412 which includes addition to work in progress amount of Kshs.177,368,827 out of which, Kshs.172,589,233 was incurred in respect of the Proposed Construction of Phased Administration and Lecture Halls Blocks. The University entered into the contract with a company on 15 June, 2020 at a contract sum of Kshs.968,664,196. The contract sum was later varied to Kshs.984,655,005 due to a change in the Value Added Tax (VAT) rate. The contract period was set at 196 weeks with a new completion date of 24 June, 2024.

However, review of interim certificate number 26 date 7 June, 2024 revealed that total payment of Kshs.720,031,616 had been certified and paid, representing 73% funding. Physical verification of the project on November, 2024 revealed that the project was 84% complete with 100% of the initial period having elapsed. In addition, the University has continued to receive inadequate funding from the National Government, leading to a severe strain in funding the completion of the project. During the year under review the University had an approved development budget of Kshs.45,000,000 but only received Kshs.11,250,000.

In the circumstances, the completion of the project has been negatively impacted.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, five (5) issues were raised under Other Matter, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. Although Management has indicated that some of the issues have been resolved under progress on follow-up of the auditor's recommendation section of the financial statements, no evidence of how the issues were resolved was provided for audit review.

### **Other Information**

Management is responsible for the other information set out on page vii to lix, which comprises Key Entity Information and Management, The Board of Directors/Council, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of Directors and Statement of Directors Responsibilities. The other information does not include the financial statements and my auditor's report thereon.

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

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters 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. Non-Compliance with Law on Ethnic Composition**

Analysis of the personnel records for the month of June, 2024 revealed that the University had a workforce of 101, out of which 62 were from the dominant community. This represents 61% of the total workforce, contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that all public establishments shall represent the diversity of the people of Kenya in the employment of staff, and that, no public establishment shall have more than one third (33%) of its staff from the same ethnic community.

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

### **2. Excessive Council and Committee Meetings**

During the year under review, the University Council held nine (9) full Council meetings which were in excess of the allowable four (4) for each committee of the Council, contrary to Guideline A2 of the Circular Ref. No. OP/CAB.9/1A from the Head of Public Service dated 11 March, 2020. Further, no evidence was provided for audit indicating whether the extra meetings were approved by the Cabinet Secretary in consultation with the State Corporations Advisory Committee (SCAC). Management therefore was in breach of Guideline A3 of the above-mentioned Head of Public Service Circular, which requires that request for any extra board meetings (including special board meetings) above the maximum number specified shall be submitted for approval by the relevant Cabinet Secretary, in consultation with SCAC.

In the circumstances, Management was in breach of the Head of Public Service directives and guidelines.

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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

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

### **Responsibilities of Management and 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 governance.

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

Nairobi

27 December, 2024




**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

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

		2023/2024	2022/2023
	Note	Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Recurrent Capitation Grants	6	344,508,812	246,903,452
<b>Revenue from exchange transactions</b>			
Tuition fees & Administrative Charges	7	448,241,377	146,846,000
Catering, Accommodation & Other Incomes	8	45,297,971	34,245,104
<b>Sub Total</b>		<b>493,539,348</b>	<b>181,091,104</b>
<b>Total revenue</b>		<b>838,048,160</b>	<b>427,994,556</b>
<b>Expenses</b>			
Staff costs	9	251,101,086	222,485,541
Council Expenses	10	12,856,234	16,746,296
Depreciation and amortization expense	11	60,391,988	47,218,585
Repairs and maintenance	12	9,674,523	13,101,208
General expenses	13	127,981,982	115,599,110
<b>Total expenses</b>		<b>462,005,814</b>	<b>415,150,740</b>
<b>Surplus before Tax</b>		<b>376,042,346</b>	<b>12,843,816</b>
Taxation		-	-
<b>Surplus for the period</b>		<b>376,042,346</b>	<b>12,843,816</b>

The notes set out on pages 6 to 39 form an integral part of these Financial Statements.

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

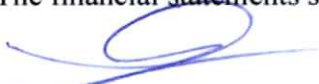

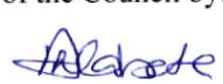

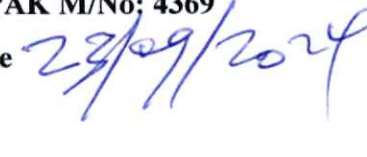
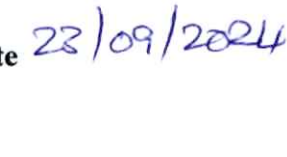
		
<b>Prof. Charles O Ochola</b> Vice-Chancellor	<b>CPA Julius O, Otieno</b> Head of Finance ICPAK M/No: 4369	<b>Dr. Augusta N. Abate</b> Chairman of Council
Date 23/09/2024	Date 23/09/2024	Date 23/09/2024

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024.**

**15 Statement of Financial Position as at 30 June 2024**

	Notes	2023/2024	2022/2023
Assets		Kshs	Kshs
<b>Current assets</b>			
Cash and cash equivalents	14	730,293,720	411,749,407
Receivables from exchange transactions	15	11,384,305	4,952,775
Receivables from non-exchange transactions	16	28,709,068	14,430,648
Inventories	17	9,545,339	10,130,398
<b>Total Current Assets</b>		<b>779,932,432</b>	<b>441,263,228</b>
<b>Non-current assets</b>			
Property ,plant and equipment	18	1,422,955,412	1,303,812,171
Intangible Assets	19	7,928,721	
<b>Total non-current Assets</b>		<b>1,430,884,133</b>	<b>1,303,812,171</b>
<b>Total assets (A)</b>		<b>2,210,816,565</b>	<b>1,745,075,399</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	20	130,031,266	100,945,754
Refundable deposits from customers	21	11,092,104	6,439,300
Prepayments and deposits	22	67,558,168	22,847,664
<b>Total current liabilities</b>		<b>208,681,537</b>	<b>130,232,718</b>
<b>Total liabilities (B)</b>		<b>208,681,537</b>	<b>130,232,718</b>
<b>Net assets ( A- B)</b>		<b>2,002,135,027</b>	<b>1,614,842,681</b>
<b>Represented by:</b>			
Capital fund		265,914,662	265,914,662
Capital Development Grants		1,343,148,042	1,331,898,042
Accumulated surplus/(Deficit)		393,072,323	17,029,977
<b>Net assets</b>		<b>2,002,135,027</b>	<b>1,614,842,681</b>

The financial statements set out on pages 1 to 5 were signed on behalf of the Council by:

		
<b>Prof. Charles O Ochola</b>	<b>CPA Julius O, Otieno</b>	<b>Dr. Augusta N. Abate</b>
<b>Vice-Chancellor</b>	<b>Head of Finance</b>	<b>Chairman of Council</b>
	<b>ICPAK M/No: 4369</b>	
<b>Date</b> 	<b>Date</b> 	<b>Date</b> 

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

	<b>Capital Fund</b>	<b>Accumulated Surplus/(Deficit)</b>	<b>Capital/Development Grants</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at July 1, 2022</b>	<b>265,914,662</b>	<b>4,186,161</b>	<b>1,150,235,394</b>	<b>1,420,336,217</b>
Surplus/Deficit for the year	-	12,843,816	-	12,843,816
Development Grants received during the year	-	-	39,430,648	39,430,648
Recurrent Grants transferred to Capital/Development Expenditure	-	-	142,232,000	142,232,000
<b>As at June 30, 2023</b>	<b>265,914,662</b>	<b>17,029,977</b>	<b>1,331,898,042</b>	<b>1,614,842,681</b>
<b>As at 1<sup>st</sup> July 2023</b>	<b>265,914,662</b>	<b>17,029,977</b>	<b>1,331,898,042</b>	<b>1,614,842,681</b>
Surplus/Deficit for the year	-	376,042,346	-	376,042,346
Transfers from Deferred Capital/Development Grants	-	-	-	-
Development Grants received during the year	-	-	11,250,000	11,250,000
Recurrent Grants transferred to Capital/Development Expenditure	-	-	-	-
<b>As at 30th June 2024</b>	<b>265,914,662</b>	<b>393,072,323</b>	<b>1,343,148,042</b>	<b>2,002,135,027</b>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

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

	Notes	2023/2024	2022/2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Recurrent Capitation Grants		315,799,744	246,903,452
Tuition & related charges		507,539,934	166,460,557
Catering, Accommodation & Other Incomes		45,297,971	34,245,104
<b>Total receipts</b>		<b>868,637,649</b>	<b>447,609,113</b>
<b>Payments</b>			
Staff Costs		242,477,200	230,689,373
Council Expenses		12,856,234	16,746,296
Repairs and Maintenance		9,674,523	13,101,208
General Expenses		123,302,078	116,225,309
<b>Total Payments</b>		<b>388,310,035</b>	<b>376,762,186</b>
<b>Net cash flows from operating activities</b>	<b>24</b>	<b>480,327,614</b>	<b>70,846,927</b>
<b>Cash flows from investing activities</b>			
Less Purchase of property, plant & equipment		(187,463,949)	(294,683,065)
<b>Net cash flows used in investing activities</b>		<b>(187,463,949)</b>	<b>(294,683,065)</b>
<b>Cash flow from Financing Activities</b>			
Development Capitation Grants		25,680,648	25,000,000
Recurrent Grants Transferred to Capital/Development Expenditure			142,232,000
<b>Net Cash flows from Financing Activities</b>		<b>25,680,648</b>	<b>167,232,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>318,544,313</b>	<b>(56,604,138)</b>
<b>Cash and cash equivalents at period start</b>		<b>411,749,407</b>	<b>468,353,545</b>
<b>Cash and cash equivalents at period end</b>	<b>14</b>	<b>730,293,720</b>	<b>411,749,407</b>

**Note:**

1. The above cash balances include Contractors, retention Money and funds committed to finance acquisition of teaching equipment and administrative expenses to support core mandate.
2. The Development Capitation grants of Kshs.25,680,648 is made up of Kshs.11,250,00 for the financial year 2023/2024 and Kshs. 14,430,648 for the financial year 2022/2023 which was accrued and subsequently received on 4<sup>th</sup> July 2023.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

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

	Original annual Budget	Adjustments	Final Annual Budget	Actual Cummulative to date	Performance Difference	% of Collection/ Utilization
	Kshs	Kshs	Kshs	Kshs		
<b>Revenue</b>						
Recurrent Grants from GoK	344,508,812	-	344,508,812	344,508,812	-	100.00
Development Grants from GoK	45,000,000	(33,750,000)	11,250,000	11,250,000	-	100.00
Tuition Fees and Other Related Charges	119,254,931	212,737,805	331,992,736	448,241,377	(116,248,641)	135.02
Catering, Accommodation & Other Incomes	11,995,069	31,219,195	43,214,264	45,297,971	(2,083,707)	104.82
<b>Total Income</b>	<b>520,758,812</b>	<b>210,207,000</b>	<b>730,965,812</b>	<b>849,298,160</b>	<b>(118,332,348)</b>	<b>116.19</b>
<b>Expenses</b>						
Staff Costs	233,243,000	19,756,812	252,999,812	251,101,086	1,898,726	99.25
Council Expenses	20,000,000	(7,000,000)	13,000,000	12,856,234	143,766	98.89
Depreciation & Amortization	47,147,000	13,853,000	61,000,000	60,391,989	608,011	99.00
Repairs and Maintenance	17,413,000	(7,613,000)	9,800,000	9,674,523	125,477	98.72
General Expenses	157,955,812	(25,955,812)	132,000,000	127,981,982	4,018,018	96.96
<b>Total Recurrent Expenditure</b>	<b>475,758,812</b>	<b>(6,959,000)</b>	<b>468,799,812</b>	<b>462,005,815</b>	<b>6,793,997</b>	<b>98.55</b>
<b>Surplus for the period/Funds for Capital projects</b>	<b>45,000,000</b>	<b>217,166,000</b>	<b>262,166,000</b>	<b>387,292,346</b>	<b>(125,126,345)</b>	
<b>Capital Expenditure</b>	<b>45,000,000</b>	<b>217,166,000</b>	<b>262,166,000</b>	<b>187,463,949</b>	<b>74,702,051</b>	<b>71.51</b>

- Surplus as per statement of Financial performance Kshs. 376,042,346  
Add Capital Development Grants Kshs. 11,250,000  
Surplus as per statement of Comparison of Budget **Kshs 387,292,346**
- The difference between the original and final budget is due to previous years carry overs and the revision of budgetary allocations through supplementary budget II.
- The variance on revenue from tuition fees and other related charges, catering, accommodation & other incomes is due to the implementation of the new funding model for public universities and increased student enrolment in the 2023/2024 academic year.
- The surplus funds were used to finance the ongoing phased construction of Administration and Lecture halls block which is facing serious underfunding by the National Treasury. Out of the certified works of Kshs. 720,031,611 as at 30<sup>th</sup> June 2024 only Kshs. 195,841,619 has been remitted forcing the University to reallocate funds from the recurrent budget in order to forestall the spiralling pending bills.
- In the 2023/2024 FY the University was allocated Kshs.45,000,000 for the ongoing phased construction of Administration and lecture halls block but only Kshs. 11,250,000 was disbursed.
- The balance on Capital Expenditure relates to commitments for the financial year 2023/2024 relating to certified works for the ongoing phased construction of Administration and Lecture Halls block and other capital items delivered and paid for in the FY 2024/2025 due to late finalization and approval of supplementary II budget.

## **19. Notes to the Financial Statements**

### **1. General Information**

Tom Mboya University is established by and derives its authority and accountability from the Universities Act, No. 42 of 2012 and Tom Mboya University Charter. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The institution's principal activity is to provide University education and training for societal transformation.

### **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, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *Entity's* accounting policies. The areas involving a higher degree of judgement 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 have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Entity*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, The Universities Act No. 42 of 2012, Tom Mboya University Charter, Tom Mboya University Statutes and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### **3. Adoption of New and Revised Standards**

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

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

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

*ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The University has leased a building to provide hostel accommodation to students. This standard will therefore affect the recognition and measurement of the right of use of the leased facility.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>This Standard will affect recognition and measurement of the items identified for disposal as guided by the Public Procurement and Asset Disposal Act of 2015.</p>
IPSAS 45- Property Plant and Equipment	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The University will be guided by this standard to recognize its assets and also valuation of the same.</p>
IPSAS 46 Measurement	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Standard	Effective date and impact:
	<ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This Standard will guide the University in recognition and measurement of transactions and events.</p>
IPSAS 47- Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The University will be guided by this standard in recognition of revenue from government grants, Scholarships, loans and household contributions under the New Funding Model for Public Universities.</p>
IPSAS 48- Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The University will be guided by this standard on how to recognize approved budgetary allocations and other transfers from Government entities.</p>
IPSAS 49- Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>The University has a defined contribution pension plan for its employees and the standard will guide in the recognition of statutory pension deductions.</p>

*iii. Early adoption of standards*

The Entity did not early – adopt any new or amended standards in the financial year.



#### **4. Summary of Significant Accounting Policies**

##### **a) Revenue recognition**

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

###### **Government grants**

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

###### **Transfers from other government entities**

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

rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

**ii) Revenue from exchange transactions**

**Tuition fees and related charges**

These are fees from the various programmes, statutory/mandatory charges, and fees for accommodation and catering services. Tuition fees are recognized over the period of the Semester they are earned without regard to when they are received.

Statutory Fees refer to charges such as registration fees, Medical fees, Activity fees, Computer fees, Student Union fees and charges for student Identification purposes. These are recognized over the course of the semester to which they apply.

Catering and Accommodation proceeds are recognized upon allocation of rooms and use of Campus dining facilities.

Student Caution money is recognized a Liability under Current Liabilities.

**Sale of goods**

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

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

**b) Budget information**

The original budget for the Current FY 2023/2024 was approved by the National Assembly in June 2023. Subsequent revisions or additional appropriations were made to the approved budget

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the University upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Development budget was reduced from Kshs.45,000,000 to Kshs. 11,250,000 while the budget for AIA was revised from Kshs.131,250,000 to Kshs. 375,207,000.

The University's budget is prepared on the same basis to the actual income and expenditure disclosed in the financial statements. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 18 of these financial statements.

**c) Taxes**

**Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the *Entity* operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in

controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *Entity* and the same taxation authority.

#### ***Sales tax***

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included  
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 50-year period.* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is

recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**e) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is calculated on the straight-line basis to write down the cost of each asset, or the re-valued amount, to its residual value over its estimated useful life using the following annual rates:

<b>Description</b>	<b>Annual Rate</b>
Buildings	2.50%
Plant, machinery and equipment	20%
Office equipment	20%
Computer equipment	33.30%
Motor vehicles	25%
Furniture and fittings	12.50%
Crockery & Utensils	33.50%
Library Books	20%
Intangible Asset (ERP)	20%

The University shall charge full year's depreciation on the year of acquisition and no depreciation on the year of disposal.

**f) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as

the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *Entity* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g) 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. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

**h) Research and development costs**

The *University* expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the *Entity* can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The University does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the University's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**a) Financial assets**

**Classification of financial assets**

The University classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

### **Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

### **Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

### **Trade and other receivables**

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

### **Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

### **Impairment**

The University assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

### **b) Financial liabilities**

#### **Classification**

The University classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**j) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

**k) 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.

**l) Social Benefits**

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

**m)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.

**n) Contingent assets**

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

**o) Nature and purpose of reserves**

TMU creates and maintains reserves in terms of specific requirements.

- As per the State Corporation Act Sec 16(1) and 9(2) and Universities Act TMU shall make provision for the renewal of depreciating assets by the establishment of sinking funds and contributions to such reserve and stabilization funds as may be necessary.
- Any surplus moneys after making the provision required shall be disposed of in such manner as proposed by management and approved by the Council.
- Any surplus realized in any given financial year from the operations of TMU shall be retained in a Reserve Account and shall be used by the Council in furtherance of its objectives as outlined from time to time. Any deficit realized in any given financial year shall be offset against the realized surplus held in the reserve account.

**p) Changes in accounting policies and estimates**

The University recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**q) Employee benefits**

**Retirement benefit plans**

The *University* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the

---

payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**r) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**s) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**t) Related parties**

The *University* regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise Council Members, the VC and senior managers.

**u) Service concession arrangements**

The University analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**v) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and 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 cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**w) Comparative figures**

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

**x) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

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

### **Useful lives and residual value**

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

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**6. Recurrent Government Grants**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Unconditional grants</b>		
Recurrent Capitation Grants	344,508,812	246,903,452
<b>Total government grants and subsidies</b>	<b>344,508,812</b>	<b>246,903,452</b>

The amount of **Kshs. 344,508,812** relates to capitation based on the Differentiated Unit Cost (DUC) for second year to fourth year KUCCPS students.

In the financial year 2022/2023 the DUC recurrent capitation was **Kshs. 389,135,452** out of which **Kshs. 142,232,000** was transferred to development expenditure leaving the balance of **Kshs. 246,903,452**. The transfer was necessitated to forestall the spiralling pending bills arising from the ongoing Phased construction of Administration and Lecture halls block.

**b) Transfers from State Department for University Education & Research**

<b>Name of Entity sending grant</b>	<b>Amount recognized in statement of financial Performance</b>	<b>Amount Deferred under deferred income</b>	<b>Amount recognized under Capital Development receipts</b>	<b>Total grant income during the period</b>	<b>Comparative Period 2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
State Department for University Education & Research	344,508,812	-		344,508,812	389,135,452
State Department for University Education & Research	-	-	11,250,000	11,250,000	39,430,648
<b>Total</b>	<b>344,508,812</b>	<b>-</b>	<b>11,250,000</b>	<b>355,758,812</b>	<b>428,566,100</b>

**7 Tuition fees & Administrative Charges**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Activity Fees	14,076,000	10,559,000
Computer fees	26,640,700	18,742,500
Examination fees	19,426,000	14,381,000
library fees	7,143,025	5,101,500
Maintenance Fees	4,755,000	3,401,000
Registration fees	4,794,300	3,566,000
Student Identity Cards	972,800	508,500
Medical fees	14,274,000	10,203,000

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Description	2023/2024	2022/2023
	Kshs	Kshs
Replacement of exam card	-	-
Supervision - PGDE	405,000	120,000
Fieldwork PGDE	596,200	191,600
CUE Fees	4,744,400	2,878,000
Student Organization Fees	3,331,000	1,361,000
Examination Re-sit	2,416,000	2,515,000
Attachment Fees	18,437,500	14,400,000
Tuition fees	326,229,452	58,917,900
	<b>448,241,377</b>	<b>146,846,000</b>

The increase in tuition fees and related charges is due to increase in student enrolment and implementation of the new funding model for public universities.

**7. (b) Reconciliation of Tuition fees and related charges as per statement of financial performance and statement of cash flows.**

Description	2023/2024	2022/2023
	Kshs	Kshs
Balance as per Cash flow statement	507,539,934	166,460,557
Less tuition fees and related charges prepaid	(67,558,168)	(22,847,664)
Add prepaid tuition and related charges transferred to income	8,259,611	3,233,107
<b>Balance as per statement of financial performance</b>	<b>448,241,377</b>	<b>146,846,000</b>

**8 Catering, Accommodation & Other Incomes**

Description	2023/2024	2022/2023
	Kshs	Kshs
Accommodation Fees	7,918,000	4,580,000
Application Fees Income	99,500	63,000
Catering Sales	7,097,306	8,592,141
Farm sales	320,842	746,170
Hire of Hall income	51,400	15,000
Interest Income	20,240,585	9,247,011
SOTMUC Other Incomes	58,988	24,525
Research Grants Admin Charges	504,706	-
Miscellaneous Income	1,593,538	1,346,005
Farm to Kitchen Sales	321,125	252,040
Restaurant Sales	2,244,034	2,098,646
Revaluation gain	502,000	210,000
Graduation Fees	2,208,000	3,546,500
Hire of Graduation Gown	883,000	1,494,000
Alumni Fees	888,000	1,446,000
Donations	210,000	405,000
Library Charges	16,928	30,493
Late Return of Gown Charges	86,500.0	64,500
Late Collection of Certificate Charges	44,120	7,000
Student Disciplinary Charges	4,800	13,200

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Decrease in Provision for Bad Debts	-	63,873
Library Card Charges	4,600.00	
<b>Total Catering, Accommodation &amp; Other Incomes</b>	<b>45,297,971</b>	<b>34,245,104</b>

The increase in accommodation and other incomes is due to increase in student enrolment and interest income on bank balances.

**9 Staff costs**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Salaries and Wages (Payroll)	194,223,317	175,451,838
Gratuity and Pension Contributions (Employer)	26,448,800	25,533,843
Part Time Teaching	22,703,646	12,517,456
Casual Wages	7,527,072	8,908,704
Staff Development	198,250	73,700
<b>Total Staff costs</b>	<b>251,101,086</b>	<b>222,485,541</b>

The increase in staff costs is due to annual salary increments, increase in number of students and placement in other academic programmes resulting in recruitment of additional part time lecturers.

**9 (b) Reconciliation of Staff Costs as per statement of financial performance and statement of cash flows**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Staff Costs as per Statement of Financial Performance	251,101,086	222,485,541
Add prior period employee related creditors settled	14,079,760	20,721,288
Less Accrued staff costs in the year	(22,703,646)	(12,517,456)
<b>Employee Costs as per Statement of Cash flow</b>	<b>242,477,200</b>	<b>230,689,373</b>

**10 Council Expenses**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Chairman's Honoraria	960,000	960,000
Sitting Allowances	4,480,000	5,200,000
Induction & Training	-	780,000
Travelling & Accommodation	5,881,829	6,807,927
Other Allowances	1,534,405	2,998,369
<b>Total Council Expenses</b>	<b>12,856,234</b>	<b>16,746,296</b>

In the Financial year 2022/2023 the council expenses were higher due to Council activities related to the award of charter and recruitment of Senior Management.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**11 Depreciation and Amortization expenses**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Buildings	12,047,480	12,047,480
Motor Vehicles	10,747,390	15,756,295
Furniture & Fittings	4,602,085	4,493,765
Computers	4,749,967	6,133,554
ICT Infrastructure	17,378,216	-
Library Books	1,550,767	1,808,165
Office Equipment	3,193,794	3,020,342
Plant and Equipment	4,140,107	3,958,984
Amortisation of Intangible Asset-ERP	1,982,180	-
	<b>60,391,988</b>	<b>47,218,585</b>

Increase in Depreciation and amortization expense is due transfer of the cost of ICT infrastructure, CCTV and ERP upgrade from Work in Progress and additions of other property, plant and equipment during the year.

**12 Repairs and maintenance**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance of Plant & Equipment	479,376	687,765
Office Equipment	1,035,620	907,297
Motor Vehicles spares and maintenance	725,616	1,070,164
Repairs and maintenance of generator	144,995	35,500
Maintenance of buildings	440,310	1,332,685
Maintenance of Hostels	153,819	37,650
Maintenance of Grounds	544,881	396,823
Maintenance Water supply	342,174	453,693
Electrical Expenses	1,090,511	440,411
Minor Works and Construction	4,305,991	7,540,478
Farm Maintenance	57,130	-
Maintenance of Fire Extinguisher	354,100	198,742
	<b>9,674,523</b>	<b>13,101,208</b>

In the FY 2023/2024 there were fewer minor works and construction as compared with FY 2022/2023.

**13 General expenses**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Advertising	346,790	760,067
Admission related Expenses	109,100	100,000
Audit Fees	580,000	580,000
Bank Charges	542,492	524,878
Computer Materials	41,640	-

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Description	2023/2024	2022/2023
	Kshs	Kshs
Cooking Fuel and gas	1,212,200	998,150
Purchase of Periodicals	821,404	1,026,180
Cleaning Materials	1,183,768	912,158
Electricity Expense	4,626,972	2,404,165
Exam Materials	3,005,000	1,550,000
Field Trips		69,305
Food and Catering expenses	11,761,407	12,392,686
Fuel for Boilers and Generators		487,700
ICT Development	5,076,317	1,685,181
Internet Expenses	5,000,469	5,493,868
Insurance related expenses	2,728,724	3,053,620
Land Preparation/Crops Inputs		66,000
Legal expenses	1,330,000	1,036,000
Licenses and permits	143,762	40,414
Medical Expenses	11,469,256	12,769,974
Office Running expenses	1,340,410	405,797
Stationary stores & Others	4,453,116	4,255,864
Security costs	19,752,520	19,750,444
Subscription Fees	360,305	130,274
Teaching Materials		-
Telephone Expenses	558,830	386,959
Transport Operating Expenses-Fuel	3,851,914	2,897,783
Rent and Rates	5,122,000	5,442,000
Traveling & Accommodation	10,431,825	7,811,144
Veterinary Services	2,750	7,750
Water Charges	1,343,347	946,685
KUCCPS placement fees	2,769,000	1,363,500
Student Welfare	475,926	1,040,280
External Examiners	578,033	1,855,660
Performance Contract Expenses/ISO	-	13,304
Asset Valuation	8,000	5,600
CUE Expenses	1,931,000	944,000
Master Plan	-	-
Strategic Plan	-	-
ERP Maintenance	980,000	1,960,000
Asset & Equipment Insurance	4,100,452	2,849,313
Research Programme		-
Teaching Practice	10,086,370	4,187,276
Seminars & Conferences	758,274	272,250
Development of New Programmes	3,028,000	-
Postal services	107,475	25,810
Students Clinic Expenses	656,692	946,608
Senate Expenses	-	-
Staff Uniforms & Clothing	322,710	592,050
Covid-19 Expenses	12,000	7,000
Laboratory Reagents/Items	576,966	2,352,914
Sanitary Expenses	178,848	226,896

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
SOTMUC Expenses		393,400
Tree Planting	10,000	-
Staff Welfare		55,600
Charter Award Expenses		2,240,000
Professional Membership Fees	40,700	57,400
Graduation Expenses	3,080,156	1,946,204
Farm tools expenses		50,000
External Travel	-	499,299
Thesis Examination Expenses	170,000	988,000
Increase in Provision for doubtful debts	21,722	-
Penalties & Fines		-
Professional Services	501,200	2,088,000
Student Identity Card Expenses		517,500
Recruitment Expenses	10,000	-
Animal Feeds	354,140	-
Revaluation Loss	28,000	136,200
<b>Total General Expenses</b>	<b>127,981,982</b>	<b>115,599,110</b>

The increase in general expenses is due to increased student enrolment and activities that support key mandate.

**13 (b) Reconciliation of General expenses as per Statement of financial performance and statement of cash flows**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
General Expenses as per Statement of Financial Performance	127,981,982	115,599,110
Add Creditors settled from prior year	8,324,470	8,950,669
Less expenses accrued during the year	(13,004,374)	(8,324,470)
<b>General Expenses as per Statement of Cash Flow</b>	<b>123,302,078</b>	<b>116,225,309</b>

**14 Cash and cash equivalents**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Kenya Commercial bank- Development a/c	195,132,412	185,778,965
Kenya Commercial bank- Current a/c	17,708,291	10,223,099
Kenya Commercial Bank- IGA. a/c	37,635,987	26,962,745
Equity Bank- Fee Collection	395,127,545	126,059,304
Kenya Commercial Bank- Student Activity fees. a/c	970,875	948,067
TMUC Deposit A/C KCB Homabay Branch	81,440,206	61,290,465
Kenya Commercial Bank- Student Organization. a/c	553,400	483,837
Kenya Commercial bank- Research Grants a/c	264,712	-
Kenya Commercial bank- Endowment a/c	1,460,292	-

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Description	2023/2024	2022/2023
	Kshs	Kshs
Sub- total	730,293,720	411,746,482
cash in hand	-	2,925
Sub- total	-	2,925
<b>Grand total</b>	<b>730,293,720</b>	<b>411,749,407</b>

The increase in cash balances is due to funds accruing from the implementation of the new funding model majorly scholarship funds and loans. The above cash balances include Contractors retention Money, Customer Deposits, prepaid fees and funds committed to purchase Property, Plant and Equipment that support core mandate. In addition, the funds are budgeted to finance the acquisition ICT infrastructure, purchase of lecture room chairs and laboratory equipment for the new Administration and Lecture halls block.

**15 Receivables from Exchange Transactions**

Description	2023/2024	2022/2023
	Kshs	Kshs
Student Debtors	3,479,880	3,045,441
Universities Fund Scholarships	5,678,710	-
Deposit (Guarantees)	1,627,628	1,140,000
Other exchange debtors	753,111	919,606
E-Citizen-National Treasury	18,970	-
Less Provision for doubtful debts	(173,994)	(152,272)
	<b>11,384,305</b>	<b>4,952,775</b>

The increase in student debtors is due to outstanding disbursement for Scholarships and loans by the Universities Fund and Higher Education Loans Board (HELB) respectively

**15 (a) Ageing analysis for Receivables from exchange transactions**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	11,384,305	100	4,952,775	100
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total</b>	<b>11,384,305</b>	<b>100</b>	<b>4,952,775</b>	<b>100</b>

15. (b) Receivables from exchange transactions are all current and therefore the University has not made provisions for impairment loss.

**16 Receivables from non-Exchange Transactions**

Description	2023/2024	2022/2023
	Kshs	Kshs
Recurrent Capitation	28,709,068	14,430,648
	<b>28,709,068</b>	<b>14,430,648</b>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Receivables from non-exchange transactions relates to recurrent capitation for the month of June 2024 which was received in July 2024 and the balance of Development capitation for the FY 2022/2023 which was received in July 2023.

**16. (a) Ageing analysis for Receivables from non- exchange transactions**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	28,709,068	100	14,430,648	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total</b>	<b>28,709,068</b>	<b>100</b>	<b>14,430,648</b>	<b>-</b>

16. (b) Receivables from non-exchange transactions are all current and therefore the University has not made provisions for impairment loss.

**17 Inventories**

Description	2023/2024	2022/2023
	Kshs	Kshs
Cleaning Materials	980,144	1,173,987
Stationery	2,531,352	4,126,813
Maintenance Stores	3,963,905	2,853,886
Food Stuff	811,938	1,186,512
Lab Store	-	5,200
Biological Assets**	1,258,000	784,000
<b>Total inventories at the lower of cost and net realizable value</b>	<b>9,545,339</b>	<b>10,130,398</b>

\*\* Biological Assets refers to cows kept by the University for training students and conducting research.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Notes to the Financial Statements (Continued)**

**18. Property, Plant and Equipment**

Description	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	ICT Infrastructure	Library Books	Office Equipment	Plant & Equipment	Work in Progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost											
As at 1st July 2022	188,180,000	481,899,215	53,894,881	29,818,496	24,905,236	7,733,101	36,606,263	15,637,511	21,531,917	363,773,604	1,223,980,224
Additions			23,477,300	6,131,625	6,598,180	-	3,647,672	672,238	4,043,562	250,112,489	294,683,066
<b>As at 30th June 2023</b>	<b>188,180,000</b>	<b>481,899,215</b>	<b>77,372,181</b>	<b>35,950,121</b>	<b>31,503,416</b>	<b>7,733,101</b>	<b>40,253,935</b>	<b>16,309,749</b>	<b>25,575,479</b>	<b>613,886,093</b>	<b>1,518,663,290</b>
Additions	-	-	-	866,560	3,977,987	2,692,315	75,000	1,266,260	1,217,000	177,368,827	187,463,949
Transfers (ICT Infrastructure)						42,083,521				(42,083,521)	-
Transfers (CCTV)						6,956,000				(6,956,000)	-
Transfers (ERP Upgrade)										(9,910,901)	(9,910,901)
<b>As at 30th June. 2024</b>	<b>188,180,000</b>	<b>481,899,215</b>	<b>77,372,181</b>	<b>36,816,681</b>	<b>35,481,403</b>	<b>59,464,937</b>	<b>40,328,935</b>	<b>17,576,009</b>	<b>26,792,479</b>	<b>732,304,498</b>	<b>1,696,216,338</b>
Depreciation and impairment											
At 1st July 2022	-	31,325,430	41,474,890	12,149,846	22,264,073	7,733,101	33,606,187	7,672,450	11,406,556	-	167,632,533
Depreciation	-	12,047,480	15,756,295	4,493,765	6,133,554	-	1,808,165	3,020,342	3,958,984	-	47,218,585
<b>As at 30th June 2023</b>	<b>-</b>	<b>43,372,910</b>	<b>57,231,185</b>	<b>16,643,611</b>	<b>28,397,627</b>	<b>7,733,101</b>	<b>35,414,352</b>	<b>10,692,792</b>	<b>15,365,540</b>	<b>-</b>	<b>214,851,118</b>
Depreciation	-	12,047,480	10,747,390	4,602,085	4,749,967	17,378,216	1,550,767	3,193,794	4,140,107	-	58,409,808
<b>As at 30th June. 2024</b>	<b>-</b>	<b>55,420,390</b>	<b>67,978,575</b>	<b>21,245,696</b>	<b>33,147,594</b>	<b>25,111,317</b>	<b>36,965,119</b>	<b>13,886,586</b>	<b>19,505,647</b>	<b>-</b>	<b>273,260,926</b>
Net book values											
<b>As at 30th June. 2024</b>	<b>188,180,000</b>	<b>426,478,825</b>	<b>9,393,606</b>	<b>15,570,985</b>	<b>2,333,808</b>	<b>34,353,620</b>	<b>3,363,816</b>	<b>3,689,423</b>	<b>7,286,832</b>	<b>732,304,498</b>	<b>1,422,955,412</b>
<b>As at 30th June. 2023</b>	<b>188,180,000</b>	<b>438,526,305</b>	<b>20,140,996</b>	<b>19,306,510</b>	<b>3,105,789</b>	<b>-</b>	<b>4,839,583</b>	<b>5,616,956</b>	<b>10,209,940</b>	<b>613,886,092</b>	<b>1,303,812,171</b>

**Note.**

1. Work in Progress relates to the ongoing Phased construction of Administration and Lecture Theatres Block Phase, installation of ICT Infrastructure, ERP, CCTV and Biometric Clock in System.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Notes to the Financial Statements (Continued)**

18. a) Property plant and Equipment includes the following assets that are fully depreciated:

Description	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	6,091,942	1,218,388
Motor Vehicles including Motorcycles	34,382,621	8,595,655
Computers and Related Equipment	21,217,236	7,065,340
Office Equipment, Furniture and Fittings	1,607,037	321,407
Library Materials	32,575,100	6,515,020
ICT Infrastructure	7,278,101	2,423,608
<b>Total</b>	<b>103,152,037</b>	<b>26,139,418</b>

**18. (b)Property, Plant and equipment at Cost**

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost Kshs	Accumulated Depreciation Kshs	NBV Kshs
Land	188,180,000	-	188,180,000
Buildings	481,899,215	55,420,390	426,478,825
Motor Vehicles	77,372,181	67,978,575	9,393,606
Furniture & fittings	36,816,681	21,245,696	15,570,985
Computers	35,481,403	33,147,594	2,333,808
ICT Infrastructure	59,464,937	25,111,317	34,353,620
Library Books	40,328,935	36,965,119	3,363,816
Office Equipment	17,576,009	13,886,586	3,689,423
Plant and Equipment	26,792,479	19,505,647	7,286,832
<b>Total</b>	<b>963,911,840</b>	<b>273,260,926</b>	<b>690,650,913</b>

**19. Intangible Assets-ERP**

Description	2023/2024 Kshs	2022/2023 Kshs
<b>Cost</b>		
At beginning of Quarter	29,402,863	29,402,863
Additions-ERP Upgrade	9,910,901	
As at 30th Jun	<b>39,313,764</b>	<b>29,402,863</b>
Additions - internal Development	-	-
As at 30th Jun	<b>39,313,764</b>	<b>29,402,863</b>
<b>Amortization and Impairment</b>	-	-

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
At beginning of the year	29,402,863	29,402,863
Amortization for the year ended 30th June	1,982,180	-
As at 30th Jun	31,385,043	29,402,863
Impairment loss	-	-
At end of quarter	31,385,043	29,402,863
<b>NBV</b>	<b>7,928,721</b>	<b>-</b>

The University undertook the upgrade of the ERP from Microsoft Dynamics Navision 2017 to Microsoft Dynamics Business Central 365.

**20 Trade and other payables from exchange transactions**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Accounts payables	55,110,090	43,761,461
Retention	74,921,176	57,184,293
	<b>130,031,266</b>	<b>100,945,754</b>

<b>Ageing analysis: (Trade and other payables)</b>	<b>Current 2023/2024</b>	<b>% of the Total</b>	<b>Comparative FY 2022/2023</b>	<b>% of the Total</b>
Under one year	55,110,090	42.38	43,761,461	43.35
1-2 years	74,921,176	57.62	57,184,293	56.65
2-3 years	-	0.00	0	0.00
Over 3 years	-	-	0	0.00
<b>Total (tie to above total)</b>	<b>130,031,266</b>	<b>100</b>	<b>100,945,754</b>	<b>100</b>

Trade and other payables include Suppliers of goods and services, part time lecturers, Contractors retention monies for the ongoing projects and other prepayments.

**21. Refundable deposits from customers**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Students Deposits	8,907,600	6,378,300
Helb Liability	2,184,504	61,000
	<b>11,092,104</b>	<b>6,439,300</b>

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

<b>Ageing analysis: (Refundable Deposits from Customers)</b>	<b>Current 2023/2024</b>	<b>% of the Total</b>	<b>Comparative FY 2022/2023</b>	<b>% of the Total</b>
Under one year	5,915,004	53.33	2,723,200	42.29
1-2 years	1,433,000	12.92	2,218,000	34.44
2-3 years	2,246,000	20.25	583,100	9.06
Over 3 years	1,498,100	13.51	915,000	14.21
<b>Total (tie to above total)</b>	<b>11,092,104</b>	<b>100</b>	<b>6,439,300</b>	<b>100</b>

The increase in refundable deposits is due to increase in student enrolment leading to increase in caution money and the undistributed HELB funds for students who have deferred or whose details are being verified.

## **22. Prepayments and Deposits**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Students Advance Receipts	67,558,168	22,847,664

Prepayments and deposits refer to tuition fees relating to students who have deferred their studies and those with overpayments. The overpayments are carried forward to the next semester or academic year. The increase is due to increase in student enrolment and implementation of the New Funding Model for public Universities by the Government.

## **23 Employee Benefit Obligations**

Tom Mboya University being a young/new institution does not have a registered Pension Scheme and employee pension contributions currently are being remitted to Maseno University Pension Scheme pending the establishment of Tom Mboya University Pension Scheme.

All the pension contributions had been remitted.

The University also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The University obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs.400 per employee per month.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**24. Cash Generated from Operations**

Description	2023/2024	2022/2023
	Kshs	Kshs
Surplus/(Deficit) for the period before tax	376,042,346	12,843,816
<b>Adjusted for:</b>		
Depreciation and Amortization	60,391,988	47,218,585
<b>Working Capital Adjustments</b>		
Less Increase in Receivables	(35,140,598)	1,069,155
Add Increase in refundable Deposits	4,652,804	1,321,100
Decrease in inventories	585,058	(1,934,232)
Increase in Payables	29,085,511	3,998,549
Increase in prepayments and deposits	44,710,505	6,329,954
<b>Net Cash flow from Operating Activities</b>	<b>480,327,614</b>	<b>70,846,927</b>

\*\* Increase in receivables excludes Development grants of Kshs. 14,430,648 captured under cash flows from financing activities which was accrued in the financial year 2022/2023 and received on 4<sup>th</sup> July 2023.

**25. Financial Risk Management**

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

**i) Credit risk**

The University has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Financial Risk Management**

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2024</b>				
Receivables from exchange transactions	11,384,305	11,384,305	-	-
Receivables from non-exchange transactions	28,709,068	28,709,068	-	-
Bank balances	730,293,720	730,293,720	-	-
<b>Total</b>	<b>770,387,093</b>	<b>770,387,093</b>	-	-
<b>As at 30 June 2023</b>			-	-
Receivables from exchange transactions	4,952,775	4,952,775	-	-
Receivables from non-exchange transactions	14,430,648	14,430,648	-	-
Bank balances	411,749,407	411,749,407	-	-
<b>Total</b>	<b>431,132,830</b>	<b>431,132,830</b>	-	-

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the University's Council, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the University under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024</b>				
Trade payables	-	56,730,676	67,330,371	124,061,047
Provisions	-		18,190,500	18,190,500
Employee Benefit Obligations	-	-	-	0
<b>Total</b>	<b>-</b>	<b>56,730,676</b>	<b>85,520,871</b>	<b>142,251,547</b>
<b>At 30 June 2023</b>				
Trade payables		30,637,839	52,117,416	82,755,255
Provisions			18,190,500	18,190,500
Employee Benefit Obligations	-	-	-	-
<b>Total</b>	<b>0</b>	<b>30,637,839</b>	<b>70,307,916</b>	<b>100,945,755</b>

**iii) Market risk**

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

**a) Foreign currency risk**

The *University* has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The *University* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

**(a) Foreign currency risk**

The University during the FY 2022/2023 **did not** have transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

**b) Interest rate risk**

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

**Sensitivity analysis**

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. There were no material effects on the University's surplus for the period to be reported.

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Entity* considers relevant and observable market prices in its valuations where possible.

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

**iv) Capital Risk Management**

The objective of the Entity’s capital risk management is to safeguard the Entity’s ability to continue as a going concern. The Entity capital structure comprises of the following funds:

	2023-2024	2022-2023
	Kshs	Kshs
Accumulated (Deficit)	393,072,323	17,029,977
Capital fund	265,914,662	265,914,662
Capital Development Grants	1,343,148,042	1,331,898,042
<b>Total funds</b>	<b>2,002,135,027</b>	<b>1,614,842,681</b>
Less: cash and bank balances	-730,293,720	-411,749,407
Net debt/(excess cash and cash equivalents)	1,271,841,307	1,203,093,274
<b>Gearing</b>	<b>-36.48%</b>	<b>-25.50%</b>

**26. Related Party Disclosures**

**Nature of related party relationships**

Entities and other parties related to the *Entity* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

**Government of Kenya**

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

- i) The Commission for University Education, CUE.;
- ii) The Kenya Universities & Colleges Central Placement Service, KUCCPS.;
- iii) State Department for University Education and Research
- iv) University Council
- v) Employees

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

	2023-2024	2022-2023
	Kshs	Kshs
<b>Transactions with related parties</b>		
<b>a) Grants from the Government</b>		
Grants from National Govt (Recurrent & Development)	355,758,812	428,566,100
Grants from County Government	-	-
Donations in kind	o	-
<b>Total</b>	<b>355,758,812</b>	<b>428,566,100</b>
<b>b) Expenses incurred on behalf of related party</b>		
Salaries and wages for TMUC employees	194,223,317	175,451,838
Commission for University Education (CUE)	1,931,000	944,000
Kenya Universities & Colleges Central Placement Service (KUCCPS)	2,769,000	1,363,500
<b>Total</b>	<b>198,923,317</b>	<b>177,759,338</b>
<b>c) Key management compensation</b>		
Council Expenses	12,856,234	16,746,296
Compensation to Other Senior Management	51,906,389	47,187,626
<b>Total</b>	<b>64,762,623</b>	<b>63,933,922</b>

**27. Capital Commitments**

Capital Commitments	2023/2024	2022/2023
	Kshs	Kshs
<b>Authorized for</b>		
Construction of Administration & Lecture Theatres Block	1,391,982,000	1,391,982,000
<b>Sub-total</b>	<b>1,391,982,000</b>	<b>1,391,982,000</b>
<b>Authorized and Contracted for</b>		
Phased Construction of Administration & Lecture Theatres Block Phase 2	984,655,045	968,664,196
ERP Upgrade	10,000,000	10,000,000
CCTV Installation	7,000,000	7,000,000
E-Learning and ICT Infrastructure Phase II	11,000,000	11,000,000
Biometric Clock in System	6,800,000	6,800,000
<b>Sub-total</b>	<b>1,019,455,045</b>	<b>1,003,464,196</b>

**28. Events after the Reporting Period**

There were no material adjusting and non- adjusting events after the reporting period.

**29. Ultimate and Holding Entity**

Tom Mboya University is a State Corporation under the State Department for University Education and Research, Ministry of Education. Its ultimate parent is the Government of Kenya

**30. Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

**20. Appendices**

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
Emphasis of matter	Inadequate funding of Construction of Phased Administration and Lecture Halls Block	Tom Mboya University has one ongoing Development project namely; Phased Construction of Administration and Lecture Halls block contracted at a cost of Kshs. 984,655,044.67. The completed and certified works as at 30th June 2024 was Kshs. 760,380,089.65. The National Treasury through State Department for Higher Education and Research has so far disbursed Kshs. 195,841,619 resulting in deficit of Kshs. 564,538,470.65. The University has appealed for increased budgetary allocations. The Principal Secretary National Treasury vide his letter reference RES 1094/23/01/A(26) dated 24th June 2024 and captioned <b>“Unlocking bottlenecks affecting implementation of National Government Projects and Programmes: Matters raised for infrastructure subcommittee-Nyanza region”</b> advised the State Department for Higher Education and Research to prioritize the request from the Chairperson of National Development Implementation Committee (NDIC) which stated that adequate resources should be allocated to clear outstanding bills of Kshs.325,353,238 for the construction of the administration and lecture halls block (phase 2) at Tom Mboya University.	Not Resolved	Continuous engagement with Parent Ministry and the National Treasury
1.1	Engagement of Casuals beyond the allowed limit	During the establishment, the University retained General Labourers from the Homa Bay Agricultural Training Centre (ATC), where the University premises are located. This was in line with Section 16(1) of the TMUC Legal Notice of April, 2016 on the transition of staff. In adherence to the Human Resource Policy and Procedures Manual, these General Labourers have been engaged on three (3)-month contracts, incorporating breaks between semesters	Resolved	Continuous
1.2	Non-Compliance with Law on ethnic composition	TMU has implemented measures to adhere to Article 7(2) of the National Cohesion and Integration Act, 2008. These measures include the practice of advertising job vacancies through channels that effectively reach a diverse range of ethnic groups, thereby promoting inclusivity in our recruitment processes. The university inherited a less diverse workforce upon its establishment, however, in subsequent recruitment processes there has been a deliberate effort to address this issue by prioritizing the importance of diversity. Significant progress has been made to ensure diversity in both teaching staff and middle-level administrative staff. The diversity in support staff remains a challenge primarily due to the fact that uptake of majority of these positions are by locals. Despite this challenge, TMU is committed to continuing efforts to enhance diversity across all levels of our workforce	Resolved	Continuous

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1.3	Uncompetitive recruitment of staff	<p>The three (3) staff members in question were appointed on a contractual basis to serve as Tutorial Fellows. These individuals had previously been engaged as Part-Time Lecturers in the University's programs. The decision to appoint them on a contractual basis was made due to the high student enrolment in the respective programs during the audited period, necessitating the presence of full-time staff to address the students' needs effectively.</p> <p>In the University Human Resource Policy and Procedures Manual Clause 3.4.2, provisions for contractual appointments in cases of urgent interventions while awaiting the completion of the regular recruitment process. The Policy Manual, approved by the Council, remains in use pending review, as indicated in the PSC Circular Ref. PSC/LEG/009/21/544(27) of 10<sup>th</sup> February 2022. This circular refers to the Employment and Labour Relations Court (ELRC) judgment on petition No. E161 of 2021</p>	Resolved	Continuous
1.4	Overcommitment of salaries	<p>As outlined in Section 19(3) of the Employment Act, 2007, the total amount of all deductions that may be made by an employer from an employee's wages at any one time shall not exceed two-thirds of such wages. However, the incorporation of statutory deductions mandated by law, such as the NSSF Act, 2013 increased the financial commitments for the affected staff members, surpassing the stipulated two-thirds of their basic salary.</p> <p>Upon identifying this discrepancy, the affected staff were promptly advised to reassess their financial commitments to ensure compliance with the prescribed limits. Subsequently, in the months following June, 2023 measures were taken to adjust the salary deductions to ensure compliance with the one-third basic pay rule. We have attached copies of pay slips for the subsequent months indicating compliance</p>	Resolved	June 2023
2.0	Improperly Constituted University Council Committees	<p>According to the Mwongozo Code of Governance, the quorum for Board committee meetings should not be less than three (3) members. The establishment of Tom Mboya University (TMU) Council Committees serves the purpose of ensuring the achievement of quorum and the conduct of business, even in situations such as the absence of a member, voting where a unanimous decision is not reached and when a conflict of interest is declared.</p>	resolved	Continuous

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
		<p>The composition of these committees aligns with the intent outlined in Guideline B4 of the Head of Public Service Circular Ref. No OP/CAB.9/1A dated 11<sup>th</sup> March, 2020. which is to obviate the risk of a committee conducting its business within the framework of a full board structure.</p> <p>The individuals serving on more than two (2) committees, namely Mr. Johnson M. Mwangi from the National Treasury and CPA Johnson W. Njuguna from the Parent Ministry, have been assigned to multiple committees in recognition of their responsibilities in enforcing compliance with government policies and regulations. It is important to note that their involvement in both the Audit and Finance committees is in accordance with Circular Ref. OP/CAB.9/1A dated 11<sup>th</sup> March, 2020. They are specifically exempted under paragraph B5 and are not subject to rotation as per paragraph B6 of the Circular.</p>		
3.0	Excessive Council and Committee Meetings	<p>The Council Almanac for the FY 2022/2023 was developed in accordance with the provisions outlined in the State Corporations Act and Paragraph A2 of the Circular Ref. No OP/CAB.9/1A from the Head of Public Service dated 11<sup>th</sup> March, 2020. The Circular stipulates that Board meetings shall be restricted to a minimum of four and capped at a maximum of six for each financial year, with the same principle applying to respective Committees of the Boards. The Circular under paragraph A.3 provides for framework for approval in case of any extra meeting(s).</p> <p>The additional meetings of the University Council and its committees beyond the specified limits primarily stemmed from the university's transition to a fully-fledged status and the establishment of mechanisms for Top Management recruitment. These meetings were convened as deemed necessary to address transition and to ensure effective governance and decision-making processes.</p> <p>When the additional Council meetings were deemed necessary, requests were submitted to the Cabinet Secretary for Education accompanied by justifications for consideration and approval in accordance to</p>	Resolved	Continuous

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
		paragraph A.3 of the Circular. This demonstrates a commitment to adhering to proper procedures and obtaining appropriate approvals for meetings that deviate from the standard schedule		
	Lack of approved staff establishment	Tom Mboya University attained full university status following the award of its Charter on 2 <sup>nd</sup> August 2022. As stipulated in the Transition Clause of the TMU Charter, all policies and documents were to remain in force during the transition period. Transition Clause - Section 35(1), the staff of the Tom Mboya University College existing prior to the award of the Charter shall be deemed to be employees of the University under the same terms and conditions of service. The Council embarked on development of the University Statutes as provided for under Section 35 (5b) that would guide on the review of the university policies and documents. The Council forwarded the Statutes pending gazettelement by the Cabinet Secretary for Education as required by the Universities Act, 2012 (Section 23). The university has conducted a comprehensive review of all its policies and documents, including the staff establishment and are pending approval once the statutes are gazetted.	Resolved	Continuous



Vice-Chancellor

Date:

23/09/2024

**Appendix II: Projects implemented by Tom Mboya University**

**Projects implemented in Collaboration with Donors and Tom Mboya University**

Project title	Project Number	Donor	Period	Donor Commitment	Separate donor reporting required as per the donor agreement(Yes/No)	Consolidated in these financial statements (Yes/No)
International Centre of Excellence in Malaria Research Project (ICEMR)		USAID	7 years (2017-2023)	Training & equipment for Research	Yes	No
NRF Research Project	NRF/2/MMC/172		3Years	Funding Research Activities	Yes	No

Tom Mboya University has collaborated with The University of California, Irvine, of United States America in **International Center of Excellence in Malaria Research Project (ICEMR)**.

ICEMR is a global network of independent research centres in Malaria-endemic settings, such as Homa-Bay County, with an aim of providing crucial strategies for the control and eventual prevention of malaria. Among its core objectives is ‘to build clinical research capacity and improve malaria control and prevention’. In this Collaborative arrangement, TMUC has provided and allocated space for set up of a laboratory towards the project.

NRF Research Project is a multidisciplinary research project involving three public universities: Maseno University, Jaramogi Oginga Odinga University of Science and Technology (JOUST) and Tom Mboya University (TMU). Each institution has its component that should be covered within the three-year project cycle.

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Appendix III Status of Projects completion**

	<b>Project Name</b>	<b>Revised Project Cost/Estimated total project cost</b>	<b>Total Expended to Date</b>	<b>Completion % to Date</b>	<b>Budget FY 2023-2024</b>	<b>Actual Per Quarter</b>	<b>Sources</b>
		<b>Kshs</b>	<b>Kshs</b>		<b>Kshs</b>	<b>Kshs</b>	
1	Construction of Phased Administration & Lecture Theatres Block	984,655,045	720,297,531	88	45,000,000	172,598,170	GoK
2	E-Learning and ICT Infrastructure Phase I	42,123,850	42,083,521	100	40,329	-	AIA
3	E-Learning and ICT Infrastructure Phase II	11,000,000	8,227,400	75	2,772,600		AIA
4	ERP Upgrade	10,000,000	9,910,901	99	1,080,189	991,090	AIA
5	CCTV	7,000,000	6,956,000	99	44,000		AIA
6	Biometric Clock in System	6,800,000	3,779,567	56	6,800,000	3,779,567	AIA
7	Specialized ICT Software & Equipment	4,500,000	2,692,315	60	4,500,000		AIA

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

**Appendix IV: Transfers from Other Government Entities**

Name of the MDA/Donor Transferring funds	Date Received As per the bank statement Kshs	Nature: Recurrent/Developments/Others Kshs	Total Amount/KES Kshs	Where Recorded/Recognized		
				Statement of Financial Performance Kshs	Capital Development Grants Kshs	Total Transfers Kshs
State Department for University Education & Research	10/08/2023	Recurrent	28,709,068	28,709,068	-	28,709,068
State Department for University Education & Research	30/08/2023	Recurrent	28,709,068	28,709,068	-	28,709,068
State Department for University Education & Research	12/09/2023	Recurrent	28,709,067	28,709,067	-	28,709,067
State Department for University Education & Research	01/11/2023	Recurrent	28,709,068	28,709,068	-	28,709,068
State Department for University Education & Research	13/12/2023	Recurrent	28,709,068	28,709,068	-	28,709,068
State Department for University Education & Research	08/01/2024	Recurrent	28,709,067	28,709,067	-	28,709,067
State Department for University Education & Research	12/02/2024	Recurrent	28,709,068	28,709,068	-	28,709,068
State Department for University Education & Research	29/02/2024	Development	11,250,000		11,250,000	11,250,000
State Department for University Education & Research	13/03/2024	Recurrent	28,709,068	28,709,068	-	28,709,068

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

Name of the MDA/Donor Transferring funds	Date Received	Nature: Recurrent/Developments/Others	Total Amount/KES	Where Recorded/Recognized		Total Transfers
	As per the bank statement			Statement of Financial Performance	Capital Development Grants	
	Kshs			Kshs	Kshs	
State Department for University Education & Research	12/04/2024	Recurrent	28,709,067	28,709,067		28,709,067
State Department for University Education & Research	17/04/2024	Recurrent	28,709,067	28,709,067		28,709,067
State Department for University Education & Research	12/06/2024	Recurrent	28,709,067	28,709,067		28,709,067
State Department for University Education & Research	01/07/2024	Recurrent	28,709,067	28,709,067		28,709,067
<b>Total</b>			<b>355,758,812</b>	<b>344,508,812</b>	<b>11,250,000</b>	<b>355,758,812</b>

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

**Appendix V- Inter-Entity Confirmation Letter**

**Name of Transferring entity: State Department for Higher Education and Research**

**Name of Beneficiary entity: Tom Mboya University**

**Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30<sup>th</sup> June (Current FY)**

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
1	10/08/2023	28,709,068	-	28,709,068	July 2023 Capitation
2	30/08/2023	28,709,068	-	28,709,068	Aug 2023 Capitation
3	12/09/2023	28,709,067	-	28,709,067	Sept 2023 Capitation
4	01/11/2023	28,709,068	-	28,709,068	Oct 2023 Capitation
5	13/12/2023	28,709,068	-	28,709,068	Nov 2023 Capitation
6	08/01/2024	28,709,067		28,709,067	Dec 2023 Capitation
7	12/02/2024	28,709,068		28,709,068	Jan 2024 Capitation
8	29/02/2024		11,250,000	11,250,000	Development Grant
9	13/03/2024	28,709,068		28,709,068	Feb 2024 Capitation
10	12/04/2024	28,709,067		28,709,067	Mar 2024 Capitation
11	17/04/2024	28,709,067		28,709,067	April 2024 Capitation
12	12/06/2024	28,709,067		28,709,067	May 2024 Capitation

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

**Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30<sup>th</sup> June (Current FY)**

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
13	01/07/2024	28,709,067		28,709,067	Jun 2024 Capitation
<b>Total</b>		<b>344,508,810</b>	<b>11,250,000</b>	<b>355,758,810</b>	

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

**Head of Accounts Department - Disbursing Entity:**

Name Margaret Kariuki Sign [Signature] Date 24/09/2024

**Head of Accounts Department - Beneficiary Entity:**

Name CPA Julius O Otieno Sign [Signature] Date 23/09/2024

**Tom Mboya University  
Annual Report and Financial Statements  
for the financial year ended June 30, 2024.**

---

**Appendix VI: Reporting of Climate Relevant Expenditures**

The University in the Financial year 2023/2024 did not have a project on climate change however upon the award of Charter it has embarked on the process of Developing Academic programmes on blue economy.

Project Name	Project Description	Project objectives	Project Activities	Actual Expenditure Kshs				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Tree Planting	Planting of 2,000 tree seedlings in partnership with Equity Bank	Environmental Conservation					10,000	Donor/AIA	Equity Bank

**Tom Mboya University**  
**Annual Report and Financial Statements**  
**for the financial year ended June 30, 2024.**

**Appendix VII: Reporting on Disaster Management Expenditure**

The University in the Financial year 2023/2024 did not incur expenditure on disaster management..

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
N/A	N/A	N/A	N/A	N/A	N/A	