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UNIVERSITY COLLEGE

flame of knowledge and innovation



CHEPKOILEL UNIVERSITY COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30TH JUNE 2012

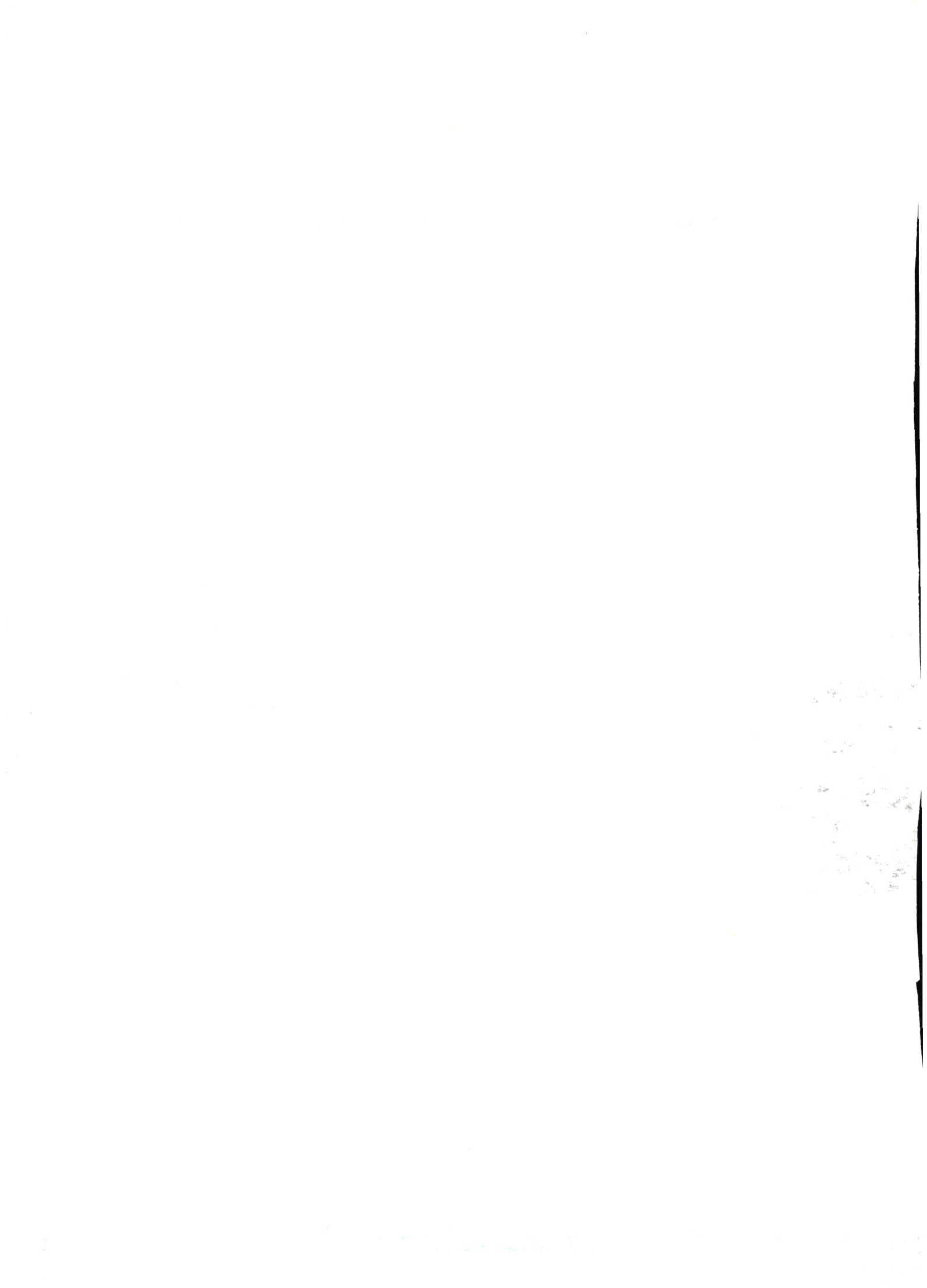


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CORPORATE INFORMATION

ESTABLISHMENT

Legal Status

Chepkoilel University College was established as a Constituent College of Moi University through the Chepkoilel University College Order, 2010 on 13th August 2010 by His Excellency the President of the Republic of Kenya .The Gazettement was made under Legal Notice No. 125 in the Kenya Gazette Supplement No. 51 (Legislative Supplement No. 35).

Registered Office

The registered office of the institution is at Chepkoilel University College which is the main campus of the institution. It is situated 9 kilometers from Eldoret Town along the Eldoret - Ziwa Road, off Iten Road

Bankers

1. National Bank of Kenya Ltd.
2. Kenya Commercial Bank Ltd.
3. Standard Chartered Bank Ltd.
4. Equity Bank Ltd.
5. Co-operative Bank of Kenya Ltd

Independent Auditors

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

VISION

To be a premier University in knowledge generation and technological innovations for sustainable development.

MISSION

To develop high quality graduates and professionals that are capable of driving change through education, training, networking, partnerships and industry linkages.

CORE VALUES

At Chepkoilel University College, we are committed to:

- 1) Leadership and responsibility;
- 2) Transparency and integrity;
- 3) Service delivery and customer satisfaction;
- 4) Visibility and competitiveness; and
- 5) Gender equity and responsiveness.

OBJECTIVES AND FUNCTIONS

- 1) To excel in teaching, research consultancy and outreach;
- 2) To acquire, maintain, preserve and organize the collection of library resources for learning;
- 3) To provide students with secure accommodation, adequate health services and recreational facilities for holistic development;
- 4) To advance in science, technology and innovation for sustainable development
- 5) To acquire, develop and maintain quality infrastructure for academic excellence;
- 6) To attract, recruit, develop and retain high quality staff of both gender;
- 7) To ensure revenue growth through effective management of costs and resource mobilization to facilitate meeting of financial obligations;
- 8) To initiate and mainstream environmentally sound management systems; and
- 9) To establish and strengthen networks, partnerships and linkages.

QUALITY ASSURANCE STATEMENT

Chepkoilel University College is committed to providing quality education and services that meet the needs of its customers and other stakeholders through quality and relevant teaching, research consultancy and outreach.

MEMBERS OF UNIVERSITY COLLEGE COUNCIL

CHAIRMAN

Prof. Sarore Ole Sena

B.Ed (Nbi), M.Phil (Cambridge, UK), Msc (McMaster, Canada), Ph.D (McGill, Canada)

VICE -CHAIRMAN

Mr. Stephen Kiprop Chesire

Bsc(Agric, Nbi)

VICE CHANCELLOR, MOI UNIVERSITY

Prof. Richard K. Mibey,

B.A (Warren Wilson College) Msc (Appalachian State University),
M.Sc;D.Ed(Oklahoma State University)
Ph.D. (Nbi)

PRINCIPAL

Prof. Elijah K. Biamah

Dip. Agric. (Eng) (Egerton), Bsc (Eng),
Msc (Eng), (Oklahoma State University-
USA)
PhD Wageningen University -The
Netherlands); MIEK, WASWE, MKSAE

DEPUTY PRINCIPAL (ACADEMIC & STUDENTS' AFFAIRS)

Prof. Ruth N. Otunga

B.Ed (Home Economics) (Nbi) M.Ed (Curriculum) (Kenyatta), D.Phil (Curriculum) (Moi).

DEPUTY PRINCIPAL (ADMIN. PLANNING & FINANCE)

Prof. Jacob K. Bitok

B.Ed(Science)(Kenyatta)Msc (Applied Mathematics) (Kenyatta) D.Phil (Applied Mathematics) (Moi)

Prof. Korwa Gombe Adar

Bsc, MSc (Indiana State University,
USA) M.A, PhD (South Carolina, (USA)

Mr. Donald Buigut Kimutai

B.A (Nbi) B. Phil (Nbi), M.A (York), MBS, EBS

Fatuma Hirsi Mohammed

B.A (Nbi) PGD/PR (KU), MBA (Strathmore)

Permanent Secretary

Ministry of Higher Education, Science &
Technology

Permanent Secretary

Ministry of Finance

CO-OPTED MEMBERS

Ms. Beryl Okundi M.A (Leicester University,
UK).

Ms. Clare Rutto LLB (Leeds UK).

ACADEMIC BOA RD REPRESENTATIVES

Dr. Victor K. Kimeli Bsc, Mphil, (Moi), PG
Dip, Msc, (Essex, UK), PhD (HIT, China)

Prof. Agustino O. Onkware, Bsc, Msc (Nbi),
PhD (Moi)

**NON -ACADEMIC BOARD MEMBERS
REPRESENTATIVE**

Dr. Maurice O. Okoth, Bsc (Moi), Mphil, PhD
(Strathclyde,UK),

**NON -TEACHING STAFF
REPRESENTATIVE**

Mr. Simon K. Ndiwa, BA (Moi),
Dip Purchasing Supplies (KIM)

STUDENTS UNION REPRESENTATIVE

Mr. Josephat Kemboi

IN ATTENDANCE

FINANCE OFFICER

Mr. Hosea K.Sitienei, CPA (K), MBA (Salford)
PGDE (KU)

AG. REGISTRAR (ADMINISTRATION)

Mr. Ben K.Rono, B. Ed (Nbi), M.A (London)

AG. REGISTRAR (ACADEMIC AFFAIRS)

Legal Officer

Mr. S.K.Yego, Bsc (Nbi)

Ms. Joyce J. Maina LLB (Nbi) Dip. Law (KSL).

UNIVERSITY COLLEGE MANAGEMENT

COLLEGE PRINCIPAL

Prof. Elijah K. Biamah

Dip. Agric. Eng (Egerton), Bsc, Msc (Oklahoma State University-USA)

PhD- Wageningen University- The Netherlands)

DEPUTY PRINCIPAL (ADMINISTRATION, PLANNING AND FINANCE)

Prof. Jacob K. Bitok

B.Ed(Kenyatta), Msc (Kenyatta), D.Phil (Moi)

DEPUTY PRINCIPAL (ACADEMIC AND STUDENT AFFAIRS)

Prof. Ruth Otunga

B.Ed (Nbi), M.Ed (Kenyatta), D.Phil (Moi)

FINANCE OFFICER

Mr. Hosea K.Sitienei

CPA (K), MBA (Salford), PGDE (KU)

AG. REGISTRAR (ADMINISTRATION)

Mr. Benjamin, K.Rono, B. Ed (Nbi), M.A (London)

AG. REGISTRAR (ACADEMIC AFFAIRS)

Mr. Sila K.Yego, Bsc (Nbi)

LEGAL OFFICER

Ms. Joyce J. MainaLLB (Nbi) Dip. Law (KSL)

REPORT OF THE CHAIRMAN

I am delighted to present this financial report for the year ended 30th June, 2012.

The University College prepared the annual report and accounts for financial year 2010/11, and presented them for verification but on the advice of Kenya National Audit Office, these financial statements were eventually consolidated with those of Moi University. This report therefore serves as the first one being presented by the institution as a separate legal entity.

During the financial year, the University College received funding directly from the Exchequer that enabled it to run its operations including payment of staff remuneration. On behalf of the Council, Management, staff and students, I wish to sincerely thank the government and in particular, His Excellency, the President of the Republic of Kenya and Commander in Chief of the Kenya Defence Forces, Hon. Mwai Kibaki for upgrading the institution into a University College. In the same vein, I also wish to thank the government for appointing the first Council of the University headed by myself.

As a team we undertake and commit ourselves to provide unparalleled leadership to this institution so that the aspirations of the Government in elevating this institution may be attained. To achieve these aspirations, we have now developed the College's Strategic Plan for the next five years-2012/2013 to 2015/2017 which is to be launched before the end of this year. With a student population of over 8,000, Chepkoilel University College is now the largest Constituent College in this country and being a young institution, the University College needs a lot of financial and material support from the Government and other stakeholders in order to realize its academic and physical development aspirations.

Indeed, Chepkoilel University College has come into being at a critical time when the demand for higher education in this country is way above the existing placement opportunities. It is believed that the number of students qualifying to join Universities has been increasing tremendously in recent years mainly because of the free primary education program that was introduced by the Government in 2003 to expand basic education opportunities to all Kenyan children. In addition, the secondary school fees subsidy that was introduced in 2008 has similarly contributed to a high retention of students from poor backgrounds in schools up to completion of their studies.

The ongoing accelerated university students' intake demands that the University College has to increase and improve all the requisite infrastructure including learning, administrative and accommodation facilities in order to cater for the increasing number of students and staff. Bearing this in mind these challenges, the University College is currently constructing new teaching and learning facilities that will ensure that all the students continue enjoying ample learning environment.

I take this opportunity once again to thank the Government for the support extended to Chepkoilel University College during the year under review. I also appreciate our donors and other stakeholders who chose to partner with us in different ways during this year. The unwavering patience and understanding exercised by our staff and students during our transition phase with the many challenges along the way is highly appreciated by Council. It gives us hope and courage to face the future with confidence as we look forward to another successful year.



PROF. SARONE OLE SENA
CHAIRMAN OF COUNCIL

DATE: 25th September 2012

REPORT OF THE PRINCIPAL

The financial year ended 30 June, 2012 has been a very unique one because it is during the year that the institution transited fully from being a campus of Moi University to a constituent College status after receiving its full exchequer allocation for operations. It is important to note that during the financial year 2010/11, the University College continued enjoying salary payments from Moi University, having been gazette in the middle of the financial year. It was precisely on 13th August, 2010 that Chepkoilel University College was officially gazetted as a University College by H.E. Mwai Kibaki, President and Commander in Chief of the Kenya Defence Forces under the Chepkoilel University College Order, 2010.

The institution has continued to consolidate its gains in order to take advantage of the new opportunities that have emerged while facing the many challenges that have also come up along the way. As an institution of higher learning, Chepkoilel University College offers mainly science, agriculture and technology based degree programs hence it is well placed to provide cutting-edge knowledge to its graduates that will enable them to contribute towards the attainment of our country's Vision 2030 strategic objectives. In furtherance of our mandate therefore, we have committed ourselves to consistently and regularly review and improve our academic programs in several ways that will ensure their competitiveness in terms of quality and service delivery to the students

In the period under review, the University College worked hard in setting up structures aimed at improving its revenue base while ensuring prudent financial management and control practices. The College Management Board has set itself to be in the forefront in ensuring that financial resources are utilized efficiently and effectively for optimum output.

The University College has continued discharging its mandate albeit with meager resources as compared with the challenges resulting from the increasing number of students admitted through the accelerated students' intake program. Initially, it was anticipated that the Government would release funding for the extra number of students admitted by JAB under the double intake program, but this did not materialized. The University College therefore had to stretch its resources to accommodate all the needs of the students, staff and for running operations and maintenance program.

The main source of funding for the operations and maintenance was therefore the internally generated revenue in terms of fees paid by both the Government Sponsored (GSSP) and Privately Sponsored Students (PSSP). The amounts raised from these sources stood at Kshs.512.1 million during the year. In addition, the University College received a sum of Kshs.120.5 million from IGA; Kshs.118.5 million from its research activities and programs; and Kshs 31.9 million from other tuition related incomes. The College received a total of Kshs.502 million from Exchequer for recurrent expenditure. In a nutshell, the University College generated a sum of Kshs.1.285 billion from both the Exchequer and in form of A-I-A

from various sources during the year. With a recurrent expenditure of Kshs.1.327 billion, the University College closed the year with a deficit of Kshs.42.442 million in terms of revenue over expenditure. This is the deficit for the financial year under review (2011/2012).The University College received a total of Kshs.38.23 million for Capital Development from Exchequer. This amount was expended in the on-going Capital projects namely; Lecture Halls' project, Library project, and Hospitality Teaching Lab project. I wish to report that these projects are progressing well and are expected to be handed over to the University College on schedule.

Chepkoiel University College being a new institution plans to enhance its visibility, performance, and competitiveness in the higher education sector in the face of stiff competition. To do so, however it requires a lot of support from the government and other well wishers in these initial years of operations in terms of funding, material support and other contributions in kind. With anticipated sufficient funding, the University College has the capacity to consolidate and expand the academic and teaching programs in order to admit more students in the long term.

On behalf of the University College Management, I take this opportunity to thank the Government for its equivocal support during the year under review. I also appreciate the financial, material and moral support of our collaborators, partners and friends during the year. It is because of the understanding and cooperation of the Council, Management team, all staff and our students that we ended the year within an environment of peace and stability. I wish to register my gratitude to them all.

I look forward to their continued support in the new financial year and the years ahead.



PROF. ELIJAH K. BIAMAH
PRINCIPAL

DATE: 25th September 2012

COUNCIL MEMBERS' RESPONSIBILITIES

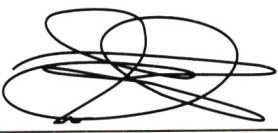
Council is required to prepare financial statements for each financial year which give a true and fair view of the financial affairs of the University College as at the end of the financial year and of its surplus or deficit for that year. Council is also required to ensure that the University College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

Council Members accepts the responsibility for these financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards (IFRS) and the requirements of the Exchequer and Audit Act (2003).

Council is of the opinion that the financial statements so prepared give a true and fair view of the state of the financial position of the University College as at 30th June 2012 and of its deficit for the year then ended. Council further accepts responsibility for the maintenance of accounting records that may be relied on in the preparation of the financial statements as well as adequate systems of internal financial control.

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

Signed: 
CHAIRMAN OF COUNCIL

Signed: 
PRINCIPAL

DATE: 25th September 2012



REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

**REPORT OF
THE
AUDITOR-GENERAL**

ON

**THE FINANCIAL STATEMENTS OF
CHEPKOILEL UNIVERSITY COLLEGE
FOR THE YEAR ENDED
30 JUNE 2012**

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: cag@kenao.go.ke
Website: www.kenao.go.ke

P.O. Box 30084-00100
Nairobi



KENYA NATIONAL AUDIT OFFICE

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Chepkoilel University College set out on pages 13 to 27, which comprise the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

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

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

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

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


Basis for Qualified Opinion

Handing Over of Assets and Liabilities by Moi University

The statement of financial position as at 30 June 2012 excludes assets and liabilities that were to be handed over by Moi University as per the Legal Notice No.125 of 13 August 2010 creating the University College. Consequently, it was not possible to confirm that the statement of financial position as at 30 June 2012 is fairly stated.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis For Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the College as at 30 June 2012, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with Chepkoilel University College Order, 2010.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

27 May 2013

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2012

	NOTE	2012 Kshs.
ASSETS		
NON- CURRENT ASSETS		
Property, Plant and Equipment	1(c) & 2	54,633,366
Biological Assets	1(d) & 4	<u>54,633,366</u>
		Kshs.
CURRENT ASSETS		
Inventory and stores	1 (e) & 3	37,218,972
Trade and other receivables	1 (k) & 5	121,364,973
Cash and Bank Balances	1 (j) & 6	58,282,277
		<u>216,866,222</u>
		271,499,588
TOTAL ASSETS		
CAPITAL RESERVES AND LIABILITIES		
		Kshs.
Capital Reserves	7	27,610,022
Surplus/Deficit		<u>14,832,599</u>
		Kshs.
NON -CURRENT LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1 (l) & 8	256,166,989
Provisions	9	500,000
		<u>256,666,989</u>
		271,499,588

The financial statements were approved by the College Council on -----
2012 and
signed on its behalf by:



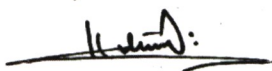
..... **Principal**

Professor Elijah K. Biamah - Dip. Agric. Eng(Egerton) Bsc, Msc (Oklahoma State University-USA), PhD (Wageningen University - Netherlands)



..... **Deputy Principal (Administration, Planning & Finance)**

Professor Jacob K. Bitok - B.Ed(Kenyatta), D.Phil (Applied Mathematics)(Moi)



..... **Finance Officer**

CPA - Hosea K. Sitienei, PGDE, MBA

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	2012 Kshs.
INCOME		
Exchequer grants	1(b) & 10	502,000,000
Tuition fees	1(b) & 11	512,118,882
IGA Income	1(b) & 12	120,496,346
Research Funds		118,538,161
Other Income	1(b) & 13	31,949,121
		<u>1,285,102,510</u>
EXPENDITURE		
		Kshs.
Employment Expenses	16	917,763,156
Administration and central services	14	342,529,152
Marketing Expenses	15	17,445,759
Board Expenses	17	18,995,374
Establishment Expenses	18	67,410
Finance Expenses	19	1,079,083
TOTAL EXPENDITURE		<u>1,297,879,933</u>
SURPLUS FOR THE YEAR		<u></u>

STATEMENT OF CHANGE IN ACCUMULATED FUNDS**ACCUMULATED FUNDS FOR THE YEAR ENDED 30TH JUNE 2012**

	Capital Funds	Revenue Reserves	Totals
	Kshs	Kshs	Kshs
As at 1 July 2011	(10,621,359)	-	(10,621,359)
Grants	38,231,381	0	38,231,381
Surplus/(Deficit) for the Year			(12,777,423)
As at 30 June 2012	27,610,022		14,832,599

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2012

	Kshs
CASH FLOWS FROM OPERATING ACTIVITIES	
Surplus/Deficit for the year	
Adjustments for :-	
Depreciation	6,489,578
CHANGES IN WORKING CAPITAL	
Changes in Inventories	
Changes in Accounts Receivable	
Changes in Accounts Payable	256,166,989
Net Inflows/Outflows from Operating Activities	87,461,685
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Non-currents assets	
Net cash flows from investing activities	
CASH FLOWS FROM FINANCING ACTIVITIES	
Government Grants	38,231,381
Net cash flows from financing activities	38,231,381
Net increase in cash and cash equivalents	58,282,277
Cash and cash equivalents at the beginning of the year	
Cash and cash equivalents at the end of the year	58,282,277

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation and form of presentation

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements are prepared on the historical cost basis of accounting modified by the revaluation of certain assets. The financial statements are presented in Kenya Shillings (Kshs).

(b) Revenue recognition

Income from students is recognized as it accrues unless collectability is in doubt. Interest income is accrued on a time proportion basis while Exchequer grants and other grants from the government are recognized as income in the period in which they relate.

(c) Fixed assets and depreciation

Fixed assets are stated at cost or valuation, less accumulated depreciation. Depreciation is calculated on the straight line basis, at annual rates estimated to write off carrying values of the assets over their expected useful lives. Assets acquired during the year are depreciated from the date of acquisition.

The annual depreciation rates of assets in use are as follows:-

<u>Assets</u>	<u>Rate (p.a)</u>
a. Buildings	2%
b. Furniture, plant and equipment	12.5%
c. Motor vehicles	25 %
d. Computers	33.3 %

Freehold land is not depreciated as it is deemed to have an infinite life.

Annexure 1 provides a list of all the assets that are yet to be handed over by Moi University

(d) **Biological Assets**

As at 30th June 2011, the University College had several biological assets which included cattle (livestock), pigs, maize and wheat among others. These assets were yet to be handed over by Moi University. **Annexure 2** is a list of all the biological assets.

(e) **Stocks**

Stocks are valued at the lower of cost and net realizable value. Cost comprises expenditure incurred in the normal course of operations, including direct material costs, labour and production overheads wherever necessary. Net realizable value is the price at which the stock can be realized in the normal course of operations after allowing for the costs of realization and where appropriate the cost of conversion from its existing state to a realizable condition. Provision is made for obsolete, slow moving and defective stocks.

(f) **Retirement Benefit Costs**

The University College does not operate a separate pension scheme for eligible employees since the employees are still members of the Moi University Pension Scheme.

The assets of Moi University Pension Scheme are held in a separate trustee administered fund that is funded jointly by Moi University, the University College and the employees. The University College also contributes statutory contributions to the National Social Security Fund. (NSSF) Contribution rates are determined by local statutes. The University College's contributions to the above schemes are charged to the income and expenditure account in the year to which they relate.

(g) **Bad and doubtful debts**

Specific provision is made for all known doubtful debts. Bad debts are written off when all reasonable steps to recover have been taken without success. A provision of 5% has been made on students' debtors.

(h) **Provisions**

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

(i) **Research and Development Costs**

Research and development expenditure is charged to the Income and Expenditure Account in the year in which it is incurred.

(j) **Cash and Cash Equivalent**

Cash and cash equivalents are defined as cash in hand, bank balances, demand deposits, short term deposits and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risks of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and bank balances.

(k) **Trade and Other Receivables**

Trade and other receivables are stated at their nominal value as reduced by appropriate allowances for estimated doubtful debts.

(l) **Trade and Other Payables**

Trade and other payables are stated at their nominal value.

(m) Government Grants

Government grants are recognized when there is reasonable assurance that the University College will comply with conditions attached to them and that the grants will be received. The grants are recognized as income in the period to which they relate and presented as a credit in the Income and Expenditure Account separately.

NOTE 2 FIXED ASSETS SCHEDULE

	Land	Buildings	W.I.P	Plant and Equipment	Computers, Printers & Copiers	Furniture & Fittings	Motor Vehicles	Total
Depreciation Rate		2%		12.50%	33.30%	12.50%	25%	
COST/VALUATION	KShs	KShs.	KShs.	KShs	KShs.	KShs.	KShs	KShs
As at 1st July,2011								-
Additions			30,462,008	13,680,354	6,438,410		10,542,172	61,122,944
Transfer to Buildings								
Revaluation	-	-		-	-	-	-	-
Disposals	-	-		-	-	-	-	-
As at 30 June,2012	-	-	30,462,008	13,680,354	6,438,410	-	10,542,172	61,122,944
DEPRECIATION								-
Bal as at 1 July,2011								-
Disposals	-	-		-	-	-	-	-
Charge for the year				1,710,044	2,143,991		2,635,543	6,489,578
Bal as at 30 June,2012	-	-	-	1,710,044	2,143,991	-	2,635,543	6,489,578
NET BOOK VALUE								
As at 30 June,2012	-	-	30,462,008	11,970,310	4,294,419	-	7,906,629	54,633,366
As at 30 June,2011	-	-		-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INVENTORIES AND STORES	Kshs.
Lab Chemicals	8,864,572
Tree seedlings	83,000
Loose Tools	1,965,000
Bookshop books	1,389,000
Animal Feeds & materials	19,489,000
Food items	654,000
Consumables	2,097,800
Building Materials	2,676,600
	37,218,972
4. BIOLOGICAL ASSETS	
These assets forms a portion of the total assets yet to be handed over by Moi University.	
A list of all the biological is provided as Annexure II on the last page of these Annual Statements. Income from farm crops have been duly recognized	
5. TRADE AND OTHER RECEIVABLES	Kshs.
Amounts falling due within one year:-	
Bookshop debtors	456,164
Guest House debtors	462,390
Farm debtors	269,152
Student fees debtors	90,953,613
Staff Imprests	39,345,013
	131,486,332
Less Provision for doubtful debt	
	121,364,973
6. CASH AND BANK BALANCES	Kshs.
NBK CAPITAL DEVELOPMENT	16,600,936
CO-OP FARM	851,812
STD	11,306,402
KCB- FEES	3,196,487
CO-OP BANK	2,706,849
NBK-MAIN	12,906,745
Equity-Fees	6,121,881
KCB- RESEARCH	2,368,045
NBK-COMA	2,223,120
	58,282,277

NOTES TO THE FINANCIAL STATEMENTS (continued)**7. CAPITAL RESERVES**

These reserves represents the excess of assets over liabilities

8. TRADE AND OTHER PAYABLES

Amounts falling due within one year:-

	Kshs.
Trade Creditors	75,538,760
HELB Loan	4,137,356
Part Time Lecturers	2,949,280
Caution Money	2,447,350
Accrued Statutory & Other deductions	156,586,519
Prepaid Fees	14,507,724
	256,166,989

9. PROVISIONS

Provision for audit fees

Kshs.
500,000
500,000

10. CAPITATION GRANT

	Kshs.
July	41,833,333
August	41,833,333
September	41,833,333
October	41,833,333
November	41,833,333
December	41,833,333
January	41,833,333
February	41,833,333
March	41,833,333
April	41,833,333
May	41,833,333
June	41,833,333

TOTAL

502,000,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Kshs.
11. TUITION INCOME	
School of Agric & Biotechnology	67,373,130
School of Business & Mgt Scie	38,253,312
School of Natural Resources Management	36,866,322
School of Education	151,368,500
School of Science	184,780,236
School of Engineering	4,026,500
School of Environmental Studies	29,450,000
TOTAL	<u>512,118,000</u>
12. IGA INCOME	
	Kshs.
Collaboration Fees	3,440,000
Photocopy	22,785
JEANARM	3,000
EIA TRAINING	398,000
Biotechnology	34,340
FARM IGU	17,887,281
IGU-199 · Biological Sicences	19,176
IGU-190	1,994
IGU-167	34,241
IGU-200	19,500
Sale of Tenders	260,866
Hospitality	910
Horticulture	60,400
Fisheries	169,032
Med. exam	26,860
Home science	103,130
Maths comp. trans.	59,950
Tourism transport	600
Dean science	222,900
Principal's Office	1,227,778
Vlir Car Hire	737,495
Library	518,368
Workshops & Conferences	425,000
Hire of Motor Vehicles	344,352
Fines	34,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

Sale of Tender Documents	52,000
Physics	212,195
CSST	59,250
STD Tree	1,512,013
Bindery & Photocopying services	1,296,046
Games & Sports	3,900
Bridging	44,900
Soil Science	38,425
Chemistry	60,350
Fish Farm	78,582
Other Rent Income	3,019,276
Hostels	211,679
Animal Science	19,733
Forestry Services	13,550
MUSO Rent	66,183
Book Shop	997,122
Wood Science	49,411
Guest House	1,764,110
Estates	103,750
Catering Services	6,744,114
IGU Income - Other	1,492,136
Computer	1,440,421
Registration	629,455
Caution Money	2,447,350
Accommodation	16,874,592
Student medical subsidy	7,443,835
Amenity	4,894,743
Activity Fees	4,546,750
Thesis	2,527,198
Supervision	3,266,675
Examination	9,053,965
Library	70,510
CUSO	1,871,855
Supplementary	710,650
Re-Marking	25,450
ID Fees	852,205
Field Trips	15,638,996
Application Fees	1,061,925
Tuition Related Charges - Other	3,249,088
	120,495,346

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. OTHER INCOME	Kshs
Agriculture	5,837,820
Science	3,004,955
Business	4,718,580
NRM	5,175,019
Education	1,156,400
Environmental Studies	7,547,254
Un-Analysed Income - Other	411,645
School of Education	165,700
School of Agric & Biotech	122,399
School of Business & Mgt Scie	1,383,350
School of Science	2,108,200
SNRM	148,050
Field Courses - Other	169,750
	<u>31,949,121</u>
14. ADMINISTRATION AND CENTRAL SERVICES	Kshs
Medical Drugs	2,530,323
Travelling & Accomodation Expenses	7,759,653
University College Outreach	2,981,165
External Examiners	1,529,671
Communication Expenses	5,744,615
Public Celebrations & Staff Welfare	1,450,295
Electricity,Water & Conservancy	84,012,545
Official Entertainment	1,338,386
Graduation Expenses	5,526,209
Legal Expenses	292,703
Rent & Rates	7,887,991
University Research Program	3,372,043
Show & Cultural Day Expenses	1,544,930
Maintenance of Assets Expenses	11,023,830
Passage & Baggage	5,350
Insurance Expenses	9,698,017
Inter Unive. Games	775,770

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Kshs
Payment of Outstanding Debts	3,760,332
Contingent Liabilities	2,065,037
Tender Comm. Allowances	124,450
Library Expenses	674,511
Chepkoilel University College Students Organization-UCSO	2,571,625
Staff Development	533,498
Caution Money	922,991
Supervision	3,400,614
Agri-Business	3,907,742
Internal Audit Expenses	165,000
MIS	394,000
ISO & ISO Related Expenses	1,152,652
Provision for Depreciation	6,489,578
Board of Graduate Studies	4,181,700
Other IGU Expenses	5,207,700
Activities	3,529,472
Uniforms & Clothing	1,490,091
Purchase of Stationeries	14,981,187
Motor Vehicle Expenses	3,893,451
Research Expenses	103,873,785
Cleaning Materials, Detergents	908,900
Farm Expenses	10,632,217
Teaching Practice/Field Trips	16,673,343
	<u>342,529,152</u>
15. MARKETING EXPENSES	Kshs
Publishing and printing	1,376,197
Advertising & Publicity	16,069,562
	<u>17,445,759</u>
16. EMPLOYMENT EXPENSES	Kshs
Personal Emoluments	384,548,259
Gratuity & Pension	79,122,212
House Allowance	227,535,964
Other Allowances	52,639,812
Commuter Allowance	28,585,770
Staff Medical Claims	16,943,740
Passage & Leave	2,768,441
Contracted Employees	45,553,426
Part Time Claims	18,528,000
PSSP Service Providers	61,537,532
	<u>917,763,156</u>
17. BOARD EXPENSES	
Council Expenses	18,995,374
	<u>18,995,374</u>
18. ESTABLISHMENT EXPENSES	
Recruitment/Training Expenses	67,410
	<u>67,410</u>
19. FINANCE EXPENSES	
Bank Charges	1,079,083
	<u>1,079,083</u>

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