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**REPORT
OF**

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
JOMO KENYATTA UNIVERSITY OF
AGRICULTURE AND TECHNOLOGY**

**FOR THE YEAR ENDED
30 JUNE 2018**





**JOMO KENYATTA UNIVERSITY
OF
AGRICULTURE AND TECHNOLOGY**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2018

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

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I. KEY UNIVERSITY INFORMATION AND MANAGEMENT

A) BACKGROUND

Jomo Kenyatta University of Agriculture and Technology is situated in Juja, 36 kilometres North East of Nairobi, along Nairobi-Thika Highway.

It was started in 1981 as a Middle Level College (Jomo Kenyatta College of Agriculture and Technology (JKCAT)) by the Government of Kenya with the generous assistance from the Japanese Government. Plans for the establishment of JKCAT started in 1977. In early 1978, the founding father of the nation, Mzee Jomo Kenyatta donated two hundred hectares of farmland for the establishment of the college. The first group of students were admitted on 4th May 1981. H.E. Daniel Arap Moi formally opened JKCAT on 17th March 1982. The first graduation ceremony was held in April 1984 with Diploma Certificates presented to graduates in Agricultural Engineering, Food Technology and Horticulture.

On 1st September 1988, H.E. Daniel Arap Moi, declared JKCAT a constituent College of Kenyatta University through a legal Notice, under the Kenyatta University Act (CAP 210C). The name of JKCAT officially changed to Jomo Kenyatta University of Agriculture and Technology (JKUCAT). It was finally established as a University through the JKUAT Act, 1994 and inaugurated on 7th December 1994.

B) PRINCIPAL ACTIVITIES

The principal activities of the University are set out in its mission and vision statements stated below

Core Values

*Quality
Team Work
Transparency
Accountability
Professionalism
Innovativeness
Integrity
Dynamism*

Vision

*A University of Global
Excellence in Training
Research and
Innovation for
Development*

Mission

*To offer accessible quality
training, research and innovation
in order to produce leaders in the
fields of Agriculture,
Engineering, Technology,
Enterprise Development, Built
Environment, Health Sciences,
Social Sciences and other applied
Sciences to suit the needs of a
dynamic world*



C. PRINCIPAL PLACE OF BUSINESS

Jomo Kenyatta University of Agriculture and Technology

Juja P.O. Box 62000-00200, Nairobi

Other JKUAT Campuses are located in Nairobi CBD, Karen, Westlands, Mombasa CBD, Nakuru, Kisii, Kitale, Kakamega, Kisumu, Eldoret, Arusha and Kigali.

D. REGISTERED OFFICE

Jomo Kenyatta University of Agriculture and Technology

P.O. Box 62000-00200, Nairobi

E. BANKERS

Kenya Commercial Bank Ltd, Moi Avenue

P.O. Box 30081-00100, Nairobi

National Bank of Kenya Ltd

P.O. Box 93-00232, Ruiru, Kenya

Standard Chartered Bank Ltd
P.O. Box 98683-80100, Nairobi

Barclays Bank Kenya , Barclays Plaza
P.O. Box 46661, Nairobi

Co-operative Bank of Kenya Ltd, Ngong Road,
P .O Box 19555-00202, Nairobi

Equity Bank Ltd, Thika Plaza,
P.O Box 253-01000, Thika

Fundilima Sacco Society Ltd
P.O. Box 62000-00200, Nairobi

Ecobank Kenya
P. O. Box 49584-00100, Nairobi

F. AUDITORS

Auditor- General
Anniversary Towers, University Way
P. O. Box 30084-00100, Nairobi

G. ADVOCATES

Lutta & Lutta Advocates
P.O. Box 73705-00200, Nairobi

H. KEY MANAGEMENT

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

- i) Vice-Chancellor's Office
- ii) Administration Division

- iii) Academic Division
- iv) Finance Division
- v) Research, Production and Extension Division

I. FIDUCIARY MANAGEMENT

The key management personnel who held office during the financial period ending 30th June 2018 and who had direct fiduciary responsibility were:

S/No	Designation	Name	Functions
1.	Vice Chancellor	Prof. Mabel Imbuga	She is the chief executive and therefore the academic and administrative head of the university with the overall responsibility for the organization and administration of institution's programmes. The VC who chairs Senate and University Management Council is responsible to Council for the general conduct and discipline of students and staff
2.	Deputy Vice Chancellor (Administration)	Prof. Victoria Ngumi	Is responsible for corporate planning, staff recruitment, training of administrative staff, promotions and discipline, personnel administration, health care services, registry administration, transport, and central services.
3.	Deputy Vice Chancellor (Academic)	Prof. Romanus Odhiambo	Is responsible for all student's affairs, including; admissions and records, and welfare.
4.	Deputy Vice Chancellor (Finance and Planning)	Prof. Bernard Otoki Moirongo	Responsible for financial Administration and Management, Infrastructure Development, Planning, Procurement, and Asset Maintenance and Management.
5.	Deputy Vice Chancellor (Research)	Prof. Mary Abukutsa	Co-ordinates research, production and extension activities which includes co-ordination of exhibitions, workshops and seminars; soliciting for research funds, and production and extension. The division also

facilitates income generating activities, besides managing the bookshop and Jomo Kenyatta Academy.

II. THE UNIVERSITY COUNCIL

Member	Qualifications & Experience
<p>Prof. Njuki Kanyari Chairman of Council</p> 	<p>Paul Njuki Kanyari, is a Professor of Veterinary Parasitology at the University of Nairobi. He has expansive teaching, research and administrative experience, and several publications. Between July and October 2012, Prof. Kanyari served as Acting Principal, Embu University. From 2004 to 2008, he also served as Dean, Faculty of Veterinary Medicine, University of Nairobi.</p> <p>Prof. Kanyari earned his Bachelor's degree in Veterinary Medicine and Master's degree in Veterinary Pathology, Microbiology and Parasitology all from the University of Nairobi, between 1975 and 1982. He then proceeded for his PhD in Parasitology at University of Queensland, Australia where he graduated in 1989.</p>
<p>She is a Professor of Biochemistry, with over 33 years of teaching and scholarly experience. She has extensive knowledge and demonstrative experience in the higher education system, having grown from a Research Assistant, Assistant Lecturer, Lecturer, Research Scientist, Chairman of Department, Dean, Director as well as a Deputy Vice Chancellor in charge of Academic affairs. Prof. Imbuga is a key resource in strategic management and leadership, with an MBA in strategic management from ESAMI. She has participated in various forums and key Government seminars as a motivational speaker for upcoming leaders and scientists. To her credit, Prof. Imbuga has over 10 funded projects and 27 publications. She has attracted</p>	<p>Prof. Mabel Imbuga Vice Chancellor/ Secretary to the University Council</p> 

over 10 international funding for various projects cutting across various disciplines. She is a member of several professional associations across the world, the president of the Africa Women in Science and Engineering; immediate former Director of International Network of Women Engineers and Scientists ; Member, Global Consortium of Higher Education and Research for Agriculture (GCHERA) and member, International Conference of Women Engineers and Scientists (ICWES).

Dr. Eng. John M. Mativo



Dr. John Mativo is a registered civil engineer (ERB, MIEK) with over 20 years' experience in structural engineering research, design and construction supervision and contract management. He earned his PhD in Civil Engineering from Tokyo Metropolitan University, Japan, in 2007 and a Master of Engineering in Structural Engineering from Tongi University, China in 1999. Previously, he worked with Ministry of Roads and Public Works; and H.P. Gauff Consulting Engineers. Dr. Mativo has a number of peer reviewed publications.

Ms. Njoki Kahiga brings to the Council expansive experience covering strategic planning, policy formulation, budgeting and financial management. A Human Resource Development practitioner and trainer, Njoki currently serves as a Commissioner with Kenya Law Reform Commission. Previously, she served as Acting Permanent Secretary in the former Ministry of State for Public Service and member of the Advisory Council of Strathmore Business School. She holds a Master of Science in Human Resource Management from the University of Salford, United Kingdom.

Ms. Njoki Kahiga



Eng. John K. Tanui

Eng. John Tanui is the current CEO of Konza Technology Development Authority. A registered telecommunications engineer, Tanui



joins his contemporaries at the varsity top management organ, bringing along over 17 years of professional and work experience in the areas of operations management, engineering delivery and turnkey projects management. Mr. John Tanui earned his undergraduate in Electrical and Communications Engineering from Moi University and a Master of Business Administration from the University of Nairobi. He is currently pursuing his doctorate degree in Global Business Management from the University of Nairobi.

CPA Maurice Odhiambo Onyango brings to the Council over 25 years' practical accounting, audit and tax management experience. A target driven professional, Maurice served as General Manager, Finance and Administration with the National Water Conservation and Pipeline Cooperation between 2010 and 2013. He is currently a Partner at Menya and Associates Certified Public Accountant, Tax Management Consultant. The CPA (K) holder earned his B.Com degree from Jabalpur University, India in 1989 and an MBA degree in Finance from Leeds University, United Kingdom in 1996.

CPA Maurice Onyango



CPA Bertha Dena



Bertha Joseph Dena is an astute accountant with a wealth of experience spanning 27 years. Prior to her appointment, Ms. Dena has served in various organizations including the Stagecoach Bus Services, AIG Global Investments and PineBridge Investments East Africa in different capacities. The Netherlands trained and United States International University don also serves on the Councils of several institutions including Kenya Ports Authority, and Information Communications Technology Authority. She is also a member of the Institute of Certified Accountants of Kenya and Institute of Certified Public Secretaries of Kenya.

Mrs. Felister Kivisi, the Alternate to the Cabinet Secretary, National Treasury, has over twenty years' experience in the civil service and is deployed in the Public Debt Management Office in the National Treasury. She is currently the Senior Deputy Director of Debt Management acting as a Director in the same office. She has served on the founding Council of Kenya Electricity Transmission Company (KETRACO) and the Council of Industrial Development Bank (IDB) as alternate to the Principal secretary of National Treasury. Currently she also serves on the Advisory Council of the Women Enterprise Fund.

She holds a Bachelor of Arts degree in Government and French (UoN) and Master of Arts degree in International Relations from (University of Leeds), and is currently pursuing a PhD in International Relations (USIU).

Mrs. Felister Kivisi
Rep. CS, National Treasury






Mr. Archer Arina
Rep. PS, Ministry of Education



Archer Arina is an Educationist with specialization in Technology Economics and Management of Education with an experience of 26 years in Teaching and Education Administration. He has served in various field stations and is currently an Assistant Director of Education, Directorate of University Education. Mr. Arina earned his Master in Technology Economics and Management of Education from Southwest Jiaotong University, China and Bachelors Degree in Agricultural Education and Extension from Egerton University, Kenya with a proven track record in Teaching, Administration and Management of Education, Implementation of Projects, Programmes and Strategic Leadership Development.

OFFICERS OF THE UNIVERSITY

Officer	Details
<p>1. Prof. Geoffrey Moriaso Ole Maloiy Chancellor</p> 	<p>Qualifications IOM, AOM, MBS, EBS, B.Sc.(British Columbia), Ph. D. (Aberdeen), DSc. (Aberdeen), DSc. (Nairobi), Hon. DSc. (Duke), Hon. DSc. (JKUAT), Hon. DL. (IBC, Cambridge), Cambridge Certificate in Science, FAAS (Fellow Norwegian Academy of Science and Letters)</p>
<p>2. Prof. Mabel O. Imbuga, Vice - Chancellor</p> 	<p>Qualifications Ph.D. (Nairobi), M.Sc. (Nairobi) B.Sc. (Nairobi) MBA (ESAMI), EBS</p>
<p>3. Prof. (Arch.) Bernard O. Moirongo, Deputy Vice Chancellor (Finance)</p> 	<p>Qualifications Ph.D. (Tu-Graz) M.A. (Nairobi), B.Arch.(Nairobi)</p>

4. **Prof. Victoria Wambui Ngumi,**
Deputy Vice Chancellor
(Administration)



Qualifications

Ph.D. (Clemson)
M.Sc. (Hiroshima)
B.Ed. (Nairobi)
EMBA (JKUAT)

5. **Prof. Romanus O. Otieno,**
Deputy Vice Chancellor (AA)



Qualifications

Ph.D. (Kenyatta)
M.Sc. (Kenyatta)
B.Ed. (Science) (Kenyatta)
EMOD (USIU)

6. **Prof. Mary Abukutsa,**
Deputy Vice Chancellor (RPE)



Qualifications

B.Sc. (Germany),
M.Sc. (Nairobi)
Ph.D. (Nairobi),
EBS

7. **Dr. Joseph Obwogi,**
Registrar (Administration)



Qualifications

BSc. (Kenyatta),
MBA (Nairobi),
PhD (JKUAT),
CPA(K), IHRM

**8. Mr. Cyrus C. Kamau,
Registrar (RPE)**



Qualifications

M.Sc. (Ibadan)

B.Sc. (Nairobi)

MNQT

**9. Dr. Esther T. Muoria,
Registrar (AA)**



Qualifications

Ph.D. (JKUAT)

M.A., (Nairobi)

B.A. (Nairobi)

**10. Mr. Titus Wasike,
Finance Officer**



Qualifications

MBA (Kenyatta)

B.B.A. (Washington)

CPA (K)

**11. Mrs. Emmah Omulokoli,
Dean of Students**



Qualification & Experience

MSc (Kenyatta)

B.Ed (Kenyatta)

12. Prof. Jackson K. Kwanza,

**Ag. Principal, JKUAT Karen
Campus**



Qualifications

Ph.D. (JKUAT)
M.Sc. (Kenyatta)
B.Ed.(Kenyatta)
EMBA (MUA)

13. Prof. Mike Iravo,

**Ag. Principal, JKUAT Westlands
Campus**



Qualifications

Ph.D., (JKUAT)
M.Ed., (Nairobi)
B.A (Romania),
PGD (Kenyatta),
Dip. Mgt (London), ,

**14. Prof. (Eng.) Bernard W. Ikua,
Principal, CoETEC**



Qualifications

Ph.D. (Tottori)
M.Sc. (Tottori)
B.Sc. (Nairobi),

15. Prof. David M. Mulati,

**Principal, College of Pure and
Applied Science**



Qualifications

Ph.D. (Kyoto)
M.Sc. (Kenyatta),
B.Ed. (Kenyatta)

16. Prof. Elegwa Mukulu,
**Principal, College of Human
Resource Development**



Qualifications

Ph.D. (Illinois)
M.A. (Michigan State)
B.A. (Nairobi)

17. Prof. Haroun N. K. Mengech,
**Principal, College of Health
Sciences**



Qualifications

MD (Linkoping)
MRC Psych. (UK)
MBCbB (Nairobi),
DPM (Dundee), EBS

18. Prof Mburu,
**Ag. Principal, College of
Agriculture and Natural
Resources**



Qualifications

PhD Agric. Engineering (JKUAT)
MSc Agric. Engineering (Nairobi)
PGD Soil Conservation (Nairobi)
BSc (Nairobi)

19. Dr. Ruth Mugo,
Ag. Chief Medical Officer



Qualifications

MPH (Nairobi)
MBCbB. (Nairobi)

COUNCIL CHAIRMAN'S REPORT

I am pleased to present annual report and financial statements for the year that ended 30th June 2018.

As a Public University, Jomo Kenyatta University of Agriculture and Technology (JKUAT) continues to play its role in helping Kenya achieve its developmental goals through offering quality training, research and innovation. The University has over the years offered training at various levels to meet the growing needs of Kenyans and beyond. The University will continue to reposition its main brands within the context of market requirements, customers' satisfaction and cost rationalization. The need to meet these objectives over the years has remained the central focus of the University Council.

Financial Performance

The year 2017/2018 reported a deficit of Kshs.586,944,589 compared to a surplus of Kshs.99,926,273 in the year 2016/2017. This decrease is as a result of among others the staff unrest over the Collective Bargaining Agreement which affected the January – April semester. This semester was postponed to May – September thereby affecting the revenues in the financial year being reported.

Regulatory Environment

Management and operations at the University are in tandem with the existing legal, policy and institutional frameworks that govern the education sector to ensure efficient and effective delivery of services at the University. The Kenyan Constitution 2010 under the Bill of Rights, as well as the Education Act 2017 provides for the right to access relevant education and training.

Sector Alignment

The University's operations are influenced by among others the national strategies aimed at promoting, restoring, and maintaining the education sector. Out of the seventeen Sustainable Development Goals (SDGs), five have a direct impact on the education sector of which JKUAT has a role to play. These are No poverty (Goal 1), Zero Hunger (Goal 2), Quality Education (Goal 4), Affordable and Clean Energy (Goal 7) and Climate Action (Goal 13).

Additionally, the African Union Agenda 2063 Aspiration 1 targets ‘A Prosperous Africa based on inclusive Growth and Sustainable Development’. The University has identified programs, collaborations, linkages and activities that are geared towards achieving the SDGs and realization of the Africa Agenda on Education. This provides a framework for expanding access to quality training, research and innovation.

At the National level, Food and Nutrition Security is one of the Big Four agenda. The agenda aims to provide enough food to cater for the country and reduce on that which is imported to subsidise the insufficient levels. JKUAT is playing a huge role in enforcing this agenda through evidence and research/knowledge production centers that can inform interventions in the sector.

Achievements

The research and innovation capacity of Jomo Kenyatta University of Agriculture and Technology received a major boost following the establishment of two modern research facilities by JICA, under the auspices of the AFRICA-*ai*-JAPAN Project. The buildings, Innovation and Prototyping and Invention Centre (iPIC) and the Small Animal Facility for Research and Innovation (SAFARI); are slated to stimulate research and innovation in a number of scientific disciplines such as engineering, agriculture, biotechnology, and molecular biology.

AFRICA *ai*-JAPAN Project is a tripartite agreement between Government of Japan, African Union Commission (AUC) and Government of Kenya, initiated in June 2014, with the objective to strengthen the research and innovation capacity of JKUAT towards successful implementation of the Pan African University Institute for Basic Sciences, Technology and Innovation (PAUSTI).

The University was also able to hold the 3rd Africa Biotechnology and Biomedical Conference in September 2017. Over 100 biotechnology and biomedical practitioners and students drawn from Kenya, Cameroon, Nigeria, Ghana, Japan and South Africa converged for the two-day conference themed: *Sustainable Development in Africa through multidisciplinary research and innovation*’ provided a platform for multidisciplinary interaction, networking and scientific exchanges in the increasingly important areas of biomedicine and biotechnology.

In the same year, JKUAT was able to sign a pact to have a new National Food Fortification Reference Laboratory. This will serve Kenya and the region. The facility to be located at Jomo Kenyatta University of Agriculture and Technology will significantly enhance the country's capacity to monitor and evaluate the level of compliance of different fortified food products to the national standards. The laboratory will also be important in building capacity of regulatory authorities such as Kenya Bureau of Standards to effectively understand and interpret fortification results for target products.

On the research front, the reference facility to be equipped with an array of state of the art equipment will see two doctorate and four masters students trained on food fortification, a move that is expected to increase the number of qualified personnel in the fortification sector. The laboratory will ensure millers comply with global fortification standards while enhancing the teaching and research environment at JKUAT. The lab is lauded it as an exemplary output of multidisciplinary and multi-institutional research collaboration that will greatly impact the health and nutritional status of the Kenyan population and beyond. The laboratory is being actualized as part of the Kshs.400 million European Union funded national food fortification programme being implemented by JKUAT in collaboration with the Ministry of Health.

During the period under review, the University completed the implementation of the 3rd Strategic plan 2013-2018 and developed the 4th Strategic plan 2018-2023 for seamless transition. This new strategic plan has factored various initiatives that will help JKUAT play its role in realizing the anticipated results of this agenda. The evaluation of the 2013-2018 strategic plan shows that the University has exhibited continuous improvement in performance over the years. Further I am pleased to report that the management not only achieved most of the Performance targets pursuant to the Performance Contract with the Ministry of Education, but also put emphasis on the measures that are directed at realizing the JKUAT Vision.

JKUAT has maintained compliance with ISO 9001:2008 standard and initiated processes to transit to the new 9001:2015 standard. Retaining the certificate demonstrated that we are on course to quality objectives through continual improvement of our quality management systems.

With a team of dedicated management and staff, I have no doubt that we shall achieve the 9001:2015 Certification.

I am also pleased to report that the long-awaited title deed for the 50-acre JKUAT Lukuyani Training Centre in Lugari, was handed over to the University by the Governor of Kakamega County in August 2017. The land was donated to the University by the Wafula Wabuge Family. The Centre is expected to transform the lives of people through practical skills training in agriculture and technology.

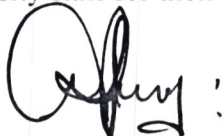
JKUAT once again lived to its leadership mantra of “Setting Trends in Training, Research and Innovation” by clinching (5) top honours at the Nyeri and Nairobi Trade Fairs. Some of the awards clinched included, The Stand that Best Interprets Current Show Theme, The Best Agricultural Based and The Best Stand Exhibiting Agricultural and/Earth Moving Equipment.

Challenges

The University has continued to grapple with an increased demand for university education against constrained University resources. Increased admissions have put pressure on existing infrastructure which is already greatly constrained. Further, insufficient recurrent and development Capitation funds in the year has not only curtailed development of much needed facilities but also affected operations.

Appreciation

Finally, I thank the Kenya Government, development partners and other organizations for the support they have continued to give the University. On behalf of the Council I thank the University staff for their exemplary dedication and commitment to the Institution.



PROF. PAUL KANYARI NJUKI

CHAIRMAN OF THE UNIVERSITY COUNCIL

III. VICE CHANCELLOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2018

I hereby present the Annual Report and Accounts for Jomo Kenyatta University of Agriculture and Technology (JKUAT) for the year ended 30th June 2018.

In the year 2017/2018, the University submitted a budget of Kshs.11.5 billion to the Ministry of Education for consideration and approval. The budget comprised of Recurrent Estimates of Kshs.10.1 billion and Development Estimates of Kshs.1.4 billion.

In the year under review, the University received Government grants amounting to Kshs.3,046,775,536 which consisted of recurrent grant of Kshs.2,183,976,069, refunds for the payment of the Collective Bargaining Agreement arrears of Kshs 862,799,467 and development grant refunds of Kshs.13,650,000. The government grants however, were far below our budget submissions. The University on its part generated Kshs.4.64 billion which was below the targeted Appropriation In Aid of Kshs.5.8 billion. This was as a result of among others the January to April semester.

The University has continued with its core business of disseminating knowledge through training, research, innovation and community outreach. By the end of the year, the staff population stood at 2,615 with an academic staff of 1,329 while the administrative staff stood at 1,286. The student population was over 40,000 distributed amongst the Main, Karen, Westlands, Nakuru, Mombasa, Kisumu, Arusha, Kigali, Kitale, Eldoret and Kakamega campuses. During the 30th and 31st Graduation ceremonies held in the year, the University graduated a total of over 7,306.

Other significant achievements were:

- i. The University was able to attract seventeen new research grants amounting to Kshs.107M thereby continuing to position itself as a University keen on research, training and development

- ii. The University fostered a number of partnerships in the year that would be mutually beneficial. These institutions included;
- Lanzhou University, a partnership that seeks to increase agricultural production and food security through investment in efficient, cheap and effective rain-fed agricultural techniques
 - South Korea (World Best Friend and EMCAST) to create sustainable startups in IT that create value and wealth for the Kenyan youth
 - Fukuoka University, Japan to undertake technology transfer in solid waste management
 - Chinese Academy of Sciences on the operationalization of the Sino-Africa Joint Research Centre
 - Dassault Systemes of France to build capacity of the students and staff of JKUAT IN Product Lifecycle Management based systems
- iii. The University held the 8th edition of the JKUAT Tech Expo in November 2018 where the University was able to show case the students' innovations. The expo enabled them to rise a notch higher in selling their products and eventually being successful entrepreneurs.

JKUAT has continued to increase and modernize the teaching and research facilities to ensure that we remain competitive and relevant. For instance, the College for Human Resources Development Building that is nearing completion will provide a further 47 lecture rooms and offices. This is expected to ease the current pressure on teaching and learning spaces within the University.

Additionally, The College of Agriculture and Natural Resources (COANRE) was established in the year, making it the fifth College in the University after The College of Health Sciences, College of Pure and Applied Sciences, College of Human Resources and Entrepreneurial Development and the College of Engineering and Technology. COANRE has three schools, School of Food and Nutrition Sciences, School of Agriculture and Environmental Sciences and

the School of Natural Resources and Animal Sciences. It currently has 7 departments and boasts of over 44 programs.

In addition, the JKUAT-Nissin Noodles Factory building is complete and installation of the production line is in progress. Upon commissioning next month, the project will generate revenue for the University and create jobs. It will also enhance training and research for students and faculty.

The University undertook several community outreach activities such as training women in Kajiado county on entrepreneurial skills, Turkana County on cricket farming and Tree Planting exercises.

Challenges

Some of the challenges faced by the Institution during the financial year include:

- i. The increase in student population, though positive, has brought various challenges. Increase numbers has strained already constrained physical facilities such as laboratories, lecture rooms, teaching equipment and other infrastructure. The University has utilized internally generated resources in expansion of classrooms, purchase of teaching equipment as well as operations and maintenance.
- ii. The University focuses on training highly technical courses which require considerable resources. Despite the effort to generate higher revenue internally, the University is still greatly constrained and continues to appeal for implementation of the Differentiated Unit Cost funding model.
- iii. In our previous reports we have emphasized that our funding should be based on unit cost due to the nature of the main academic programmes offered by the University. The current funding level by the GoK has made the University unable to meet some of its key strategic objectives.

iv. The May-August 2018 semester was affected by staff unrest because of the 2018-2021 Collective Bargaining Agreement (CBA). The interruption affected incomes from fees as well as what was generated from other income generating units.

Finally, I take this opportunity to thank the Kenya Government, donors and other organizations for the support we have received during the year.

I also thank members of staff, students, Senate, University Management Council and Council for the dedication and cooperation they have accorded me in the running of this University.



PROF. VICTORIA WAMBUI NGUMI, Ph.D.
VICE CHANCELLOR

IV. STATEMENT ON CORPORATE GOVERNANCE AND ETHICS

The Council is responsible for the governance of the University and is accountable to the citizens of this country for ensuring that the University complies with the law and maintains the highest standards of corporate governance, academic standards and ethics.

The Council attaches great importance to the need to conduct the activities and operations of the University with integrity, fairness and transparency.

The Principal Secretaries to National Treasury and Ministry of Education are represented. The Vice-Chancellor is the Secretary to Council.

Responsibility of the University Council

The University Council is ultimately responsible for;

- a) The mission and vision of the University;
- b) Promoting the aims and objectives of the University;
- c) Setting strategic directions for the University;
- d) The appointment and performance management of the Vice Chancellor;
- e) Oversight of management;
- f) Setting and monitoring broad budget and planning framework, ensuring that the University finances are sound, and taking major financial decisions;
- g) Monitoring University performance against strategic objectives;
- h) Setting and critically monitoring Council policy and risk management;
- i) Extending links and communication between the University and the wider Community;

Remuneration of University Council members

Council members are paid taxable sitting allowances as approved by the Chief of Staff and Head of the Public Service following guidelines from the State Corporations Advisory Committee. The Chairman is paid honoraria at a rate approved by the Government.

Transport expenses are reimbursed on travel for Council business at the prevailing AA rates. The members are also entitled to outpatient and inpatient medical cover and a personal accident cover as applicable.

University Council meetings

The meetings of the University Council are held at least once every quarter in a calendar year. In order to facilitate the smooth running of its affairs, the University Council establishes such committees with membership and with such terms of reference as it may deem fit. A calendar of University Council and its committees is prepared before the beginning of each financial year.

Council Committees

The following are the Council Committees

1. Executive Committee

The executive committee of council sets the agenda for the full council and attends to all urgent and emergency issues.

The roles of the Executive Committee are to:

- Develop and review Terms and Conditions of Service for the Vice Chancellor and Deputy Vice Chancellors, and
- Dispense with urgency matters that require immediate attention in the best interest of the University.

2. Finance Committee

The committee critically scrutinizes the budgets and other financial requirements before they are presented to the full council. It oversees the University's financial affairs on behalf of Council; develops strategies to guide the growth of the University and monitors its implementation;

3. Sealing Committee

The Committee was established to undertake the following functions;

- Review Charter and Statutes of the University from time to time;

- Review and recommend to Council all documents requiring authentication with the seal of the University;
- Review and recommend to the Council various corporate policies to assist in the overall management of the University;
- Receive and recommend to Council for approval qualified students to be conferred with degrees and awarded diplomas and certificates of the University that the Senate may refer to the Committee;
- Consider and make recommendations to the Council for the conferring of such titles as Emeritus Professor and Honorary degrees on candidates who meet the established criteria; and
- Receive, consider and recommend to Council any other matters concerning other forms of recognition which the Senate may refer to the Committee.

4. Building Committee

The Building Committee is responsible for the management of the University building projects including:

- The establishment of project planning groups
- The approval of plans and budgets for development expenditure
- The monitoring of progress in construction and liaison with architects, quantity surveyors, etc.
- General supervision of campus development including such issues as use of planning and location of buildings.

5. Human Resource Management Committee

This committee advises the University Council on all human resource matters including recruitment and staffing

6. Audit Committee

JKUAT Council aspires to use the public resources at its disposal in an efficient and accountable manner. In line with the Treasury Circular No. 16/2005, an audit committee was established to provide independent advice and assurance on the University's strategy, performance and compliance to the different statutes. The committee is required to:-

- Review and report to the Council on the comprehensiveness, reliability and integrity of internal controls measures;
- Recommend to the Council quality assurance and standards needed to provide effective monitoring of processes; monitor and recommend to Council action in respect of the University's management of risks;
- Consider, review and recommend to the Council policies in respect to management and control systems on internal business processes, including accounting policies, anti-fraud and whistle-blowing;
- Consider and approve annual audit plans including any audit reviews that the Council may request from time to time;
- Consider and advise the University Council on matters relating to the security of the University, staff and students; and
- Review and advise the Council on all matters relating to the risk management framework and internal audit function of the University

The Council nominates the Chairman of each Council Committee.

The members of each committee are as shown below

a) Executive Committee

Appointed Members:	1. Prof Paul Kanyari – Chair
	2. CPA. Bertha J. Dena
	3. Eng. John Tanui, MBS
	4. Comr. Njoki Kahiga, OGW
	5. CPA. Maurice O. Onyango
	6. Dr. Eng. John M. Mativo
Principal Secretary	7. P. S, Ministry of Education
	8. C.S, National Treasury
Ex-officio Member	9. Vice-Chancellor

b) Finance Committee

Appointed Members:	1. CPA. Bertha J. Dena - Chair
	2. Dr. Eng. John M. Mativo
	3. Comr. Njoki Kahiga, OGW
Principal Secretary	4. P.S Ministry of Education
	5. C.S, National Treasury
Ex-officio Member	6. Vice-Chancellor

c) Building Committee

Membership:

Appointed Members:	1. Eng. John Tanui, MBS – Chair
	2. Dr. Eng. John M. Mativo
	3. CPA. Maurice O. Onyango
Principal Secretary	4. P.S, Ministry of Education
	5. C.S, National Treasury
Ex-officio Member	6. Vice-Chancellor

d) Audit Committee

Membership:

Appointed Members:	1. CPA. Maurice O. Onyango – Chair
	2. Eng. John Tanui, MBS
	3. Dr. Eng. John M. Mativo
Principal Secretary	4. P.S, Ministry of Education
	5. C.S, National Treasury
Secretary	6. Chief Internal Auditor

e) Human Resource Management Committee

Terms of Reference:

Membership:

Appointed Members:	1. Comr. Njoki Kahiga, OGW - Chair
	2. Eng. John Tanui
	3. CPA. Bertha J. Dena
Principal Secretary	4. P.S, Ministry of Education
	5. C.S, National Treasury
Ex-officio Member	6. Vice-Chancellor

f) Sealing Committee

Membership:

Appointed Members:	1. Prof. Paul Kanyari – Chair
	2. CPA. Bertha J. Dena
	3. Comr. Njoki Kahiga, OGW
Principal Secretary	4. P.S, Ministry of Education
	5. C.S, National Treasury
Ex-officio Member	6. Vice-Chancellor

Council Member	Full Council Meetings	Council Committees			
		Sealing	Human Resource	Building	Audit
Prof Geoffrey Ole Maloy					
Prof Paul Kanyari Njuki					
CPA Bertha Dena					
Commissioner Njoki Kahiga					
Eng John Tanui					
Eng. John Mativo					
CPA Maurice O. Onyango					
Ms. Felister S. Kivisi					
Archer Arina					

Conflict of Interest, Code of Conduct & Ethics

JKUAT has fully adopted the Code of Ethics that is enshrined in the Mwongozo which is the Code of Governance for Government owned entities. The code of ethics entails among other things declaration of Conflict of Interest which must be embraced by both the Council and the employees of the organization. The University maintains a conflict of interest register which is availed in every meeting. This applies to all members of the University community, including members of the University Council academic, administrative and support staff and, where appropriate, Students Governing Council. The Council members are required to avoid conflict of interest and deal at arm's - length and with integrity in any matter that relates to JKUAT. The Council has put in place Anti-Corruption Policy to curb any form of corruption in the University.

Whistle Blowing Policy

JKUAT has a whistle blowing policy embedded in the anti-corruption policy which has a clause stating that Council shall ensure that person(s) making any corruption disclosures shall be

protected against any reprisals or harmful action as a result of such disclosures. Therefore, all the information received by the Council and sources of such information shall be treated as highly confidential. If such information disclosing or hinting to such sources must be disclosed, it shall be with the consent of the person(s) who disclosed the information.

Risk Management

The Council is responsible for risk management and has an approved policy and procedure document for risk management. The Council conducts risk assessment on regular basis which informs the internal audit plan.

The University has an in-house Legal Officer and has appointed advocates and other consultants to advice on litigation risks.

The identification and management of risk is a continuous process linked to the achievement of the University's objectives. The University Council through its Risk and Audit Committee received regular reports during the year on internal controls and risks.

Compliance with Statutory Requirements

Despite the financial constrains experienced, the University strived to make timely remittance of statutory deductions including; National Hospital Insurance Fund, National Social Security Fund etc, in order to protect the welfare of its staff in retirement and hospital Insurance and comply with statutory requirements during the year under review. Some obligations were however in arrears as at the close of the financial year due to cash flow challenges.

V. MANAGEMENT DISCUSSION AND ANALYSIS

a) Operational Performance

Facilities to support African innovation handed over to JKUAT



Ms. Sano (right) hands over iPIC documentation to Prof. Kanyari during the 3rd JCC meeting as Vice Chancellor, Prof. Mabel Imbuga witnesses.

The research and innovation capacity of Jomo Kenyatta University of Agriculture and Technology received a major boost following the establishment of two modern research facilities by JICA, under the auspices of the AFRICA-*ai*-JAPAN Project. The buildings: Innovation Prototyping and Invention Centre (iPIC) and the Small Animal Facility for Research and Innovation (SAFARI); are slated to stimulate research and innovation in a number of scientific disciplines such as engineering, agriculture, biotechnology, and molecular biology.

AFRICA *ai*-JAPAN Project is a tripartite agreement between Government of Japan, African Union Commission (AUC) and Government of Kenya, initiated in June 2014, with the objective to strengthen the research and innovation capacity of JKUAT towards successful implementation of the Pan African University Institute for Basic Sciences, Technology and Innovation (PAUSTI)

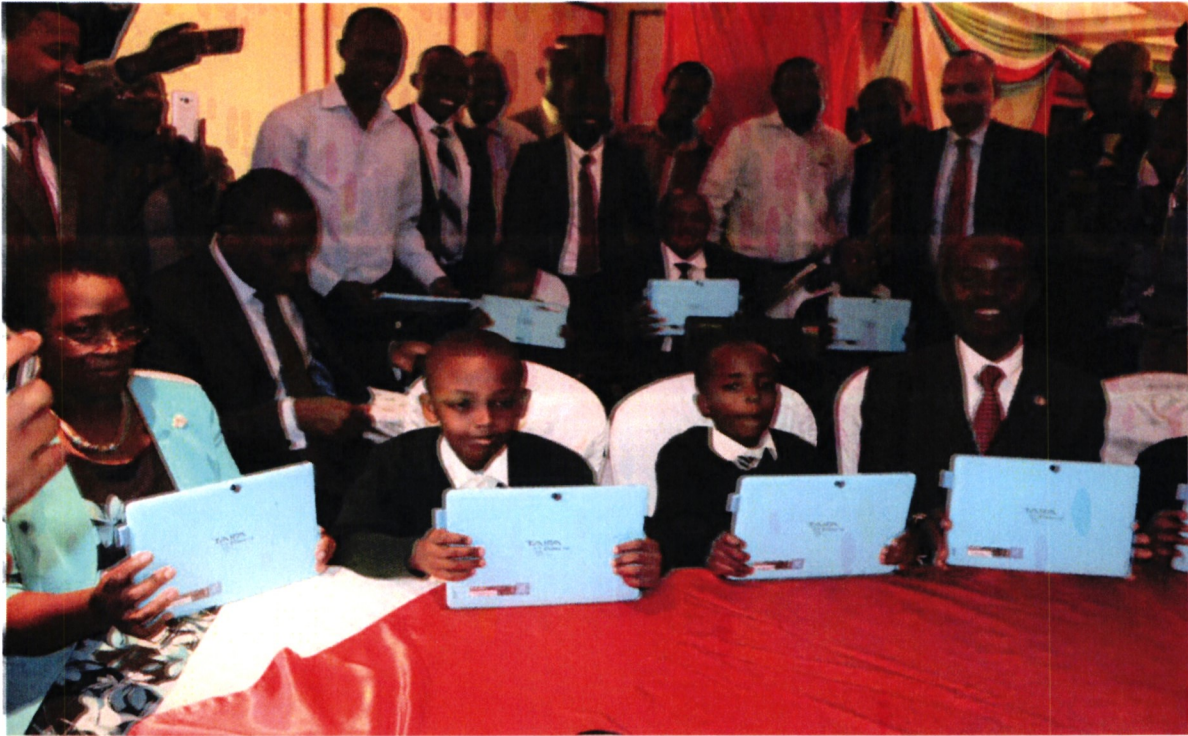
The Agency was undertaking a number of initiatives to support Africa's realization of Sustainable Development Goals (SDGs); particularly through training and research.

The specialized laboratories will be instrumental in hoisting JKUAT's innovation and entrepreneurship agenda noting that Kenya had committed a total of Kshs.53 billion annually, towards research and innovation activities. The project's support had enabled JKUAT solidify its international standing as strong model for scientific and technological research and innovation.

AFRICA-ai-JAPAN Project is implemented through five sub-taskforces, focusing on key areas of consequence to Africa's development aspirations. These sub-taskforces include the Innovation and Prototyping Integrated Centre (iPIC); Innovation Centre for Bio-resources (iCB); Innovation Centre for Molecular Biology and Biochemistry (iCMoB) and Innovative Open Data and Visualization (iODaV) and the Innovation Center for Product, Development and Commercialization (iPDeC). The sub-taskforces approach innovation research activities in a multidisciplinary way.

Taifa Elimu Tab for Private Schools Launched

Pupils enrolled in private primary schools in Kenya now have access the digital literacy programme following the launch of the Taifa Elimu Tablet – the digital learning and teaching device developed by the Jomo Kenyatta University of Agriculture and Technology (JKUAT). The device was launched in October 2018 by The Information and Communications Cabinet Secretary, Mr Joe Mucheru. The Taifa Elimu Tablet is a milestone towards bridging the digital gap in learning institutions across the country. The initiative underscored the Government's commitment to transform education sector by making digital literacy universally accessible to young learners at a very early stage in their lives. The launch of Taifa Elimu Tablet signalled a new partnership between JKUAT and the private primary schools in Kenya after being tasked by the government to supply install and commission digital learning devices in public primary schools across 21 counties.



CS Mucheru and Prof Imbuga join pupils of Kahawa Baptist Academy during the demonstration of the Taifa Elimu Tab

JKUAT Bags Top Trophies in 2018 ASK Trade Fairs

Jomo Kenyatta University of Agriculture and Technology bagged a total of 5 top trophies during the year's Agricultural Society of Kenya (ASK) organized trade fairs that were held in Central Kenya (Nyeri) and Nairobi International Trade Fair (NITF) in the months of September and October 2018.

The University clinched: the Most Striking Display (Demonstration of Locally Manufactured Products) Trophy at the NITF. His Excellency, President Uhuru Kenyatta congratulated JKUAT for the outstanding performance and he presented The Most Striking Display Trophy to the Vice Chancellor, Prof. VICTORIA NGUMI, who was accompanied by the Deputy Vice Chancellor (Research, Production and Extension) Prof. Mary Abukutsa during the awards ceremony, Wednesday, October 4.

During the Central Kenya ASK Show, President Kenyatta lauded JKUAT for developing appropriate technologies and innovations that saw JKUAT declared the Best University, bagging five (5) top awards, namely:

- The Most Striking Display

- The Stand that Best Interprets Current Show Theme,
- The Best Agricultural Based
- Statutory Board/Commission Stand, and
- The Best Stand Exhibiting Agricultural and/Earth Moving Equipment.



*President Kenyatta congratulates Prof. Imbuga for a job well done!
Looking on is Prof. Abukutsa.*

JKUAT Council Marvel at Innovations as Varsity Marks 8th Tech Expo



Jomo Kenyatta University of Agriculture and Technology staged the 8th edition of the Tech Expo, November 9-10, 2018. The success of an entrepreneur is pegged on finding solutions that put the needs of the user first and coming up with innovations that are marketable and hence the need for the unique innovations that meet the needs of the consumers. Innovators were urged to move their innovations to the next level and push them to the market.

The JKUAT Tech Expo 8.0 edition themed: '*Changing Lives through Innovation*' saw the Domestic Avocado Oil Extractor project exhibited by Betty King'ori and Susan Njeri emerge winners. The project aims at revolutionizing the avocado fruit farming industry by diversifying the capital a farmer can make from the sale of different avocado products especially avocado oil in order to empower themselves.

Pascal Aloo and Maureen Nkatha with their innovation, Simatech Automated Vending Machine (SAVE), emerged second in a field of 28 innovations. SAVE is an innovative liquid vending machine that leverages on mobile money to allow for autonomous operation.

Agriculture, the backbone of our economy was not left behind. Bamboo Enriched Yogurt project led by Kiura Kambi scooped the third position. The project aims at providing yogurt with a very high nutritional value with the help of bamboo powder.

Workshop on Quality Research Proposal Writing Staged at JKUAT



Prof. Daniel Sila shares his research experiences with the participants

Over 40 participants converged at Jomo Kenyatta University of Agriculture and Technology (JKUAT) for a three-day workshop which aimed at helping researchers in East Africa develop high quality research proposals. The forum which was organized under the auspices of the East African Network of Learning of Administrators (EANLA), also aimed at streamlining working relationship between researchers and their respective university research fund managers. Participants were trained that: excellence, integrity and proven track record, were essential ingredients for proposal funding applicants. The researchers were urged to carefully select partners, and always aim at addressing key concerns of not just the funding agencies but also the needs of governments and citizens. Young researchers were encouraged to work with experienced colleagues for mentorship in order to effectively navigate the perils that often consume otherwise good proposals.

The forum was uniquely suited to answer key issues affecting research proposal writing in the region noting that research funding was one way through which varsities could mobilize resources to support operations and build new infrastructure.

The workshop which drew participation from Kenya, Uganda and Tanzania, was supported by the DAAD through the International Centre of Development and Decent Work; under the Dialogue on Innovating Higher Education Strategies programme.

3rd Africa International Biotechnology and Biomedical Conference Marked

Over 100 biotechnology and biomedical practitioners and students drawn from Kenya Cameroon, Nigeria, Ghana, Japan and South Africa have converged at Jomo Kenyatta University of Agriculture and Technology for the 3rd Africa International Biotechnology and Biomedical Conference (AIBBC), September 14, 2017.

The two-day conference themed '*Sustainable Development in Africa through multidisciplinary research and innovation*' aims at providing a platform for multidisciplinary interactions, networking and scientific exchanges in the increasingly important areas of biomedicine and biotechnology.

The University management extolled the organisers of AIBBC, saying the forum had expanded to become one of the most significant international fora for local and international scientists to discuss their research and build the capacity of young scientists through training and mentorship.



A section of the participants follow proceedings during the conference

Through enhanced collaboration and networking, the conference was key in building the capacity of the students present and eventually lead to the growth of science and technology for sustainable development. It was also noted that there had been an increase in the use and application of biotechnology in major industrial areas, such as healthcare, agriculture and environment. Biotechnology was a very promising field as far as application goes, ranging from improving the diagnosis and treatment of hereditary diseases to the development of safer drugs and environment friendly herbicides and pesticides.

The General Chair of AIBBC, Prof. Collins Ouma, said the goal of the conference was to discuss and seek solutions to health, food and environmental issues that are unique to Africa through multi-faceted research and innovations from both academic and industrial perspectives.

The discussions during the conference were aimed at inspiring sustainable collaboration, ultimately helping solve the myriads of agricultural, health and environmental challenges facing Africa as a continent.

The conference attracted a total of forty speakers such as Prof. Kevin Marsh of Oxford University, Prof. Ola Soderberg of Uppsala University, Prof. Walter Jaoko of UoN, Prof. Paul Robinson of Purdue University, Prof. Bernhards Ogutu of Strathmore University, Prof. Takanori Shibata of Waseda University, Prof. Mary Abukutsa of JKUAT and Prof. Hidetoshi Kotera of Kyoto University among others.

JKUAT Researchers Win Ksh 115 Million Research Grants



Prof. Abukutsa (r) receives the NRF research grants certificate from the Director of Research, Science & Technology(MoEST) Dr. George Ombakho as NRF Chair, Tirop Kosgey (second from left) looks on.

One of the main challenges standing in the way of the country's research system towards the exploitation of research, science, technology and innovation (RST&I) is low funding. This is however receiving substantial attention from the government through the National Research Fund (NRF) – a national research agency established under the Science Technology and Innovation (ST&I) Act of 2013 to facilitate research, science, technology and innovation for national development.

In the just released NRF's inaugural research grants, over 66 postgraduate students' research projects at the Jomo Kenyatta University of Agriculture and Technology (JKUAT) won competitive grants to the tune of Kshs.115 Million for the 2017/18 financial year, after responding to a call for the research funds for Masters, PhD as well as Multidisciplinary and Multi-institutional and Infrastructural support categories.

Out of the 66 postgraduate students' projects that were successful, 35 Masters projects were awarded Kshs.13.7 Million, while 29 PhD projects received Kshs.42.6 Million, whereas 6 projects under the multi-disciplinary, multi-institutional category bagged over Kshs.59.3 Million out of the total Kshs.115 Million awarded to JKUAT.

With this shot in the arm, JKUAT researchers and postgraduate students beneficiaries are now on an even keel with their peers – thus better placed to undertake their research as outlined in the grant application and Memorandum of Understanding documents.

JKUAT also signed a contract with NRF to underscore the University's commitment to use the grants for research and innovation projects in accordance with the guidelines. It was noted that although there is much to be done to scale up financial resources towards research in the country to 2% of the GDP as indicated in the (ST&I) Act, the latest award of funds to various institutions by NRF is a significant milestone effort by the Government towards strengthening research and innovation capacity in universities and research institutions. This is a positive contribution towards poverty alleviation initiatives and improvement of people's livelihoods in line with the country's socio-economic development blue print. NRF will help increase research and innovation output because NRF is also funding innovations through the Kenya National Innovation Agency (KENIA), thus boosting innovations developed by JKUAT's innovators.

It was further noted that KENIA is expected to support innovations that have been lying on the shelves of research institutions due to lack of funds to upscale and harness them into service and product utilities through commercialization.

Apart from facilitating JKUAT to accelerate the actualization of her training, research and innovation vision, the research grants to JKUAT come as a big relief to postgraduate students.

They will, consequently, significantly translate into higher completion rates at Masters and PhD level given that many students grapple with research funding challenges.

HORTINLEA Meeting, Stakeholders' Forum Opens



Prof. Abukutsa addressing the participants.

Researchers working under the Horticultural Innovation and Learning for Improved Nutrition and Livelihood in East Africa (HORTINLEA) project funded by the Ministry of Education and Research of Germany, have made significant achievements in generating knowledge on African Indigenous Vegetables (AIVs). This knowledge covers genetic diversity and seed systems, plant nutrition and fertilizer management, water management and irrigation, pest and disease management, harvesting and postharvest handling, value addition as well as health benefits of AIVs.

This was revealed during the official opening of the 5th HORTINLEA Annual General Meeting and Stakeholders Forum at Jomo Kenyatta University of Agriculture and Technology (JKUAT), Monday, March 12, 2018.

The week-long forum to attracted over 100 stakeholders. The project activities are aimed at meaningfully contributing to the body of scientific knowledge as well as economic well-being of our communities.

It was noted that while Kenya as a country is highly dependent on agriculture with horticulture leading in terms of foreign exchange earnings, “the weak links among the various aspects of production have made it difficult for the small holder growers to benefit.”

It is hoped that research initiatives under HORTINLEA will continue to play a major role in strengthening the horticultural value chain because they have the potential to directly impact on the small growers thus contributing to the realization of the country’s development agenda under the Kenya Vision 2030 and the Big Four.

HORTINLEA’s Principal Investigator, Prof. Wolfgang Boklemann of the Humboldt University of Berlin was acknowledged for spearheading the project and the Germany’s Ministry of Education and Research of Germany for funding the project.

Prof. John Wesonga, the local Project Coordinator said, different research groups are currently investigating various components of the horticultural value chain in order to gather knowledge about the production, quality, marketing and consumption of indigenous vegetables.

Climate change and the prospects of reduced rainfall are some of the issues that have motivated our research teams to generate climate change scenarios and come up with appropriate vegetable varieties that are suitable for the climate conditions likely to be experienced in years to come.

The meeting provides a forum for stakeholders to showcase and pitch latest technologies to small scale farmers, discussions on upcoming book on AIVs, especially the key research findings and recommendations with policy makers and decision makers in agriculture. Industry players will also make attempts to forge possible collaborations aimed at enhancing farmers’ access to technologies.



A section of participants follow the proceedings during the meeting.

As an interdisciplinary research project on food security, HORTINLEA seeks to improve the livelihood and nutritional situation of the rural and urban poor through horticultural crops especially the African leafy indigenous vegetables in East Africa, particularly Kenya,

Stakeholders expected to participate include policy makers, private sector, extension workers, farmers, key consultants and researchers.

Kenya to have a new food fortification laboratory



Prof Imbuga (second right) leads the groundbreaking session to pave way for the construction of the laboratory

Kenya and the region will, in the coming weeks, have a new National Food Fortification Reference Laboratory. The facility to be located at Jomo Kenyatta University of Agriculture and Technology will significantly enhance the country's capacity to monitor and evaluate the level of compliance of different fortified food products to the national standards

The laboratory will also be important in building capacity of regulatory authorities such as Kenya Bureau of Standards to effectively understand and interpret fortification results for target products.

On the research front, the reference facility to be equipped with an array of state of the art equipment, will see two doctorate and four masters students trained on food fortification, a move that is expected to increase the number of qualified personnel in the fortification sector. The laboratory will ensure millers comply to global fortification standards while enhancing the teaching and research environment at JKUAT. The lab is lauded it as an exemplary output of multidisciplinary and multi-institutional research collaboration that will greatly impact the health and nutritional status of the Kenyan population and beyond.



Prof. Imbuga exchange the site handover documents

Food and nutritional security is a subject of national and global development as captured in the Government's four priority areas; Africa Agenda 2063, and United Nation's Sustainable Development Goals.

The laboratory is being actualized as part of the Kshs.400 million European Union funded national food fortification programme being implemented by JKUAT in collaboration with the Ministry of Health.

The Project Coordinator, Prof. Daniel Sila, said the initiative will combine the best practices on food fortification with food safety aspects to ensure that consumers get the recommended amounts of micro-nutrients in a safe way.

JKUAT Hosts International NAPRECA Conference



Prof. Ngumi makes welcoming remarks as Dr. Salim (centre) and Prof. Chepkwony listen.

Researchers, scholars and herbal medicine practitioners drawn from various countries in Eastern and Central African region held a two-day International Conference on *Natural Products Research Network for East and Central Africa (NAPRECA)* at Jomo Kenyatta University of Agriculture and Technology (JKUAT).

During the conference which opened, Thursday, February 8, 2018, various presenters emphasized the contribution of research and information sharing towards sustainable exploitation of natural products. They highlighted Africa's potential to harness indigenous knowledge and practices while at the same time advancing the science of natural products.

Welcoming the conference participants, the JKUAT Deputy Vice Chancellor in charge of Administration Prof. Victoria Ngumi, who represented the Vice Chancellor during the official opening of the conference, "acknowledged the aptness of the Conference theme – *“Utilization of Natural Products for the Betterment of the Livelihood of Mankind,”* noting that the conference was taking place at a time the humankind is facing several challenges.

"Researchers should leverage on the knowledge gained in specific research areas to provide sustainable solutions to the problems affecting people in the region through the utilization of natural products," Prof. Ngumi stated. She lauded NAPRECA for exposing young scientists in natural products research area to the nuances of state-of-the-art research techniques and urged them to sustain the momentum of vitality in the Network's activities among member countries.

Prof. Ngumi, an expert in plant physiology with research interests in conservation of indigenous plants, in her presentation titled: *“Indigenous knowledge of plants and its importance in utilization of natural products”* said studies have indicated that many medicinal plants are over exploited leading to their being threatened, and further argued that plants with important characteristics and natural products are likely to be lost forever called for the use of botanical gardens and herbal gardens as conservation centres of endangered plants.



Participants interact with exhibitors at the natural products exhibition stand.

Kericho County Governor, Prof. Paul Chepkwony in his presentation titled: *Intellectual property: practical steps in Patenting,*” urged researchers and innovators to patent their inventions in order to curb loss of intellectual property rights.

Drawing from his experience in intellectual property rights with about ten patents, the organic chemistry professor and JKUAT alumnus, took the researchers through the journey of successful patenting of inventions outlining the critical steps that any inventor needs to appreciate in order to benefit from his or her invention.

Kiambu County Executive Committee Member in charge of Water and Environment and Natural Resources, Mr. David Kuria while acknowledging the significant work done by the researchers, urged NEPRECA to partner with Kiambu County and help in finding solutions to challenges facing the local community.



Conference participants pose for a group picture after the opening session.

The conference brought together researchers and practitioners in natural products from Kenya, Botswana, Cameroon, Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Madagascar, Rwanda, Sudan, Tanzania, Uganda and Zimbabwe, to deliberate on their research findings and to show-case innovative products aimed at encouraging communities to take the initiative in seeking solutions to underlying problems in health related areas using natural products.

Established in 1984, NAPRECA's main objective is to initiate, develop and promote research in the area of Natural Products in Eastern and Central and Africa sub-region. Dean, School of Physical Sciences, Prof. Thuku, and the Chairman, Chemistry Department, Dr. Salim Ali who, together with Dr. Leonard Gitu, serve as members of the Organizing Committee, also spoke at the conference.

Varsities' Librarians Urged to Inspire Social Transformation



Prof. Odhiambo delivers the official opening remarks at the workshop flanked by Dr. Mangira

The 47th UN/World Bank/Universities Librarians' two-day workshop was held at at Jomo Kenyatta University of Agriculture and Technology, Thursday, November 9.

The Workshop drew librarians from public and private universities and representatives from the World Bank Group and UN agencies. It was observed that “electronic resources acquired through KLISC, had significantly enhanced access to diverse information resources in terms of affordability beyond the physical space of the library facility,” and singled out the role the Librarians played in negotiating for low prices of LexisNexis database from Ksh. 3.5m to only Ksh. 840, 000 among other benefits.

Librarians in universities were urged to use the critical position they occupy in the knowledge and information production and dissemination to help the country address challenges arising from lack of utilitarian information to stimulate social-economic transformation among the youth in Kenya. The stakeholders' initiative of resource mobilization and sharing” could only be made possible through such forums championed by the stakeholders, observing that the critical role Librarians play in facilitating staff and students in information search requests so that such resources are put to good use, is commendable.

While appreciating the promotional activities organized by the JKUAT Library such as the Emerald Knowledge Ambassador's Workshop and the Open Access Week at JKUAT, it was hoped that "The librarians forum would further enhance the collaboration between the Kenyan universities, the UN and World Bank institutions in promoting information sharing as well as bridging information gap between the developed and developing economies."



A section of Librarians follow the proceedings

The UN and the World Bank support the forum meetings in terms of trainings, chairing sessions, and coordinating partnership activities aimed at exchanging and sharing ideas on resource sharing, networking and staff development.

The United Nations Human Settlements Programme (UNEP) Head of Knowledge Management Unit, Hellen Nyabera appreciated the partnership saying, it seeks to build capacity of librarians as professionals in the advent of technological changes in the knowledge and information sector. It was observed that stakeholders are constantly searching for areas of mutual interest especially what universities can learn from those who have already done it in order to avoid reinventing the wheel.

Under the initiative, bi-monthly workshop meetings are organized on rotational basis in member institutions, where librarians share challenges and success stories experienced by individual institutions. During the meeting, Rongo University shared the journey of “*Establishing school and community libraries through the African Library Project*,” in a paper presented by Cary Francis Ouma and Joel Nakitare, while Jane Gicandi and Esther Obachi of Cooperative and Nairobi Universities respectively, made a case for “*The Researcher ID*”. Virginia Gitare of UNEP decried the poor uptake of “*Online Access to Research in the Environment (OARE) System*” in universities.

The host University Librarian Dr. Roselyne Mangira, shared the challenges and progress made by the JKUAT Library in its effort to serve students and faculty as well as the local community. She also thanked the University Management for accepting to host and support the workshop. The next workshops will be held early next year at Karatina University and Turkana University College.

Varsity Marked World Toilet Day Celebration



Ms. Ngugi explains how the ‘Where does it go when you go?’ campaign works

JKUAT Staff and students from the Department of Soil, Water and Environmental Engineering in collaboration with Africa Population and Health Research Center (APHRC) celebrated the World Toilet Day, 19th November 2017. The celebrations involved a campaign aimed at delivering a strong advocacy message on behalf of safe sanitation and wastewater management.

The campaign themed ‘*Where does it go when you go?*’ challenged people to think about what happens to their fecal waste after flushing. The participants were encouraged to lift the lid and ‘flush’ their answer, post it on the stall ‘wall’, and capture it on social media.

JKUAT PhD student in Environmental Engineering and Management and a Research Fellow with APHRC, Ms. Hannah Ngugi, said the campaign was part of Urban Sanitation Project in East Africa aimed to improve and expand implementation and resourcing of national sanitation policies with specific focus on human fecal waste management in urban areas.

According to Ms. Ngugi, the campaign coordinator, nearly two-thirds of the world’s population, half of it living in Sub-Saharan Africa, live without access to a household toilet that can safely dispose human fecal waste.

“Sewerage services in Sub-Saharan Africa are confined to small parts of the urban environment and there is a huge shortage of water treatment plants across the continent,” opines Ms. Ngugi.



From Left; Prof. Odhiambo, Prof. Abukutsa, Prof. Mulati, Dr. Eng. Messo and Ms. Ngugi confer after participating in the campaign

Ms. Ngugi was adamant that the Urban Sanitation Project in East Africa will play a critical role in achieving Sustainable Development Goal 6 that seeks to provide available and sustainable water and sanitation for all by 2030.

The Deputy Vice Chancellor in charge of Research Production and Extension (RPE), Prof. Mary Abukutsa, her counterpart in Academic Affairs, Prof. Romanus Odhiambo, Principal, College of Pure and Applied Sciences, Prof. David Mulati, Registrar RPE, Cyrus Kamau, Dean, School of Biosystem and Environmental Engineering, Dr. Eng. Gareth Kituu and Chairman, Soil, Water and Environmental Engineering Department, Dr. Eng. James Messo were among the staff who participated in the campaign.

JKUAT Most Preferred Institution in 2018 University Placements



On Monday 9th April, 2018, the Education Cabinet Secretary Amina Mohamed released the universities and colleges placement data for the 2018/2019 cycle. Out of the qualified 69, 151 students who scored C+ and above in the 2018 Kenya Certificate of Secondary Education (KCSE) examinations, a total of 62, 851 have been successfully placed to various degree courses of their choice, in the universities of their choice. Out of the country's 65 public and private universities, the Jomo Kenyatta University of Agriculture and Technology (JKUAT) emerged as

the most preferred institution, attracting a total of 4, 866 placements for the September 2018 intake. Kenyatta, Nairobi and Moi universities follow respectively.

According to the Kenya Universities and Colleges Central Placement Service (KUCCPS) statistics, the University also had one of the most sought programmes, Bachelor of Electrical and Electronic Engineering, which attracted 2,384 applicants, against a capacity of 59. Overall, the 4,866 figure reflects 82.9% of the University's capacity of 5,868 for new students. The University prides itself in being a trendsetter in Higher Education, Research and Innovation. The preference of the institution is thus a testimony to the unwavering fidelity to living by these standards.

Financial Performance

The University has reported a deficit of Kshs. 581,575,113 as at 30th June 2018. This is a decline from Kshs.99M reported in the previous year. During 2017/2018 FY the University's administration and operational expenses increased by Kshs.656M as a result of expansion.

The University is optimistic that future cash in-flows will improve upon full implementation of the Differentiated Unit Cost funding model by the Government. This will be favourable to the University as it offers highly technical and science-based courses which requiring heavy investment in equipment, teaching materials and equipment, laboratories, human resources, among others.

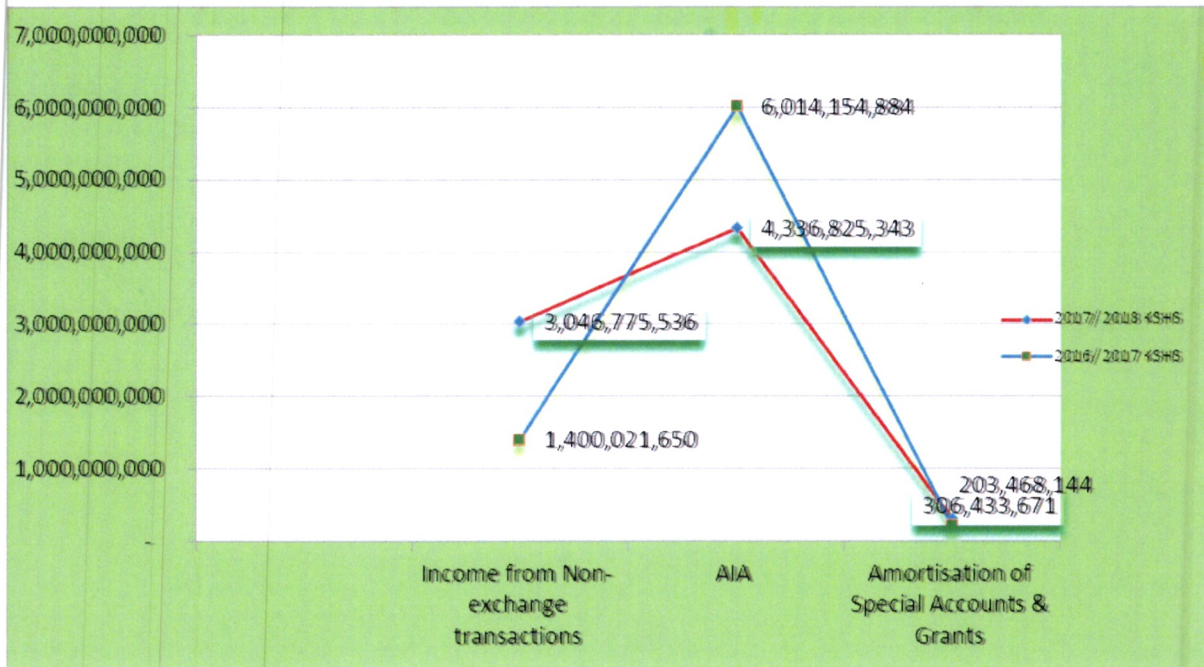
On the other hand, the decline of KCSE candidates who meet the minimum University entry requirements may affect the number of potential students qualified for admission in subsequent years. Further, anticipated changes in legislation restricting admission of students in diploma programmes may also affect student numbers adversely affecting incomes from privately sponsored programmes being offered by the institution who qualified for University admission during 2017/18 across the country. Consequently, the aforementioned may result in an overall decline in student related revenue streams.

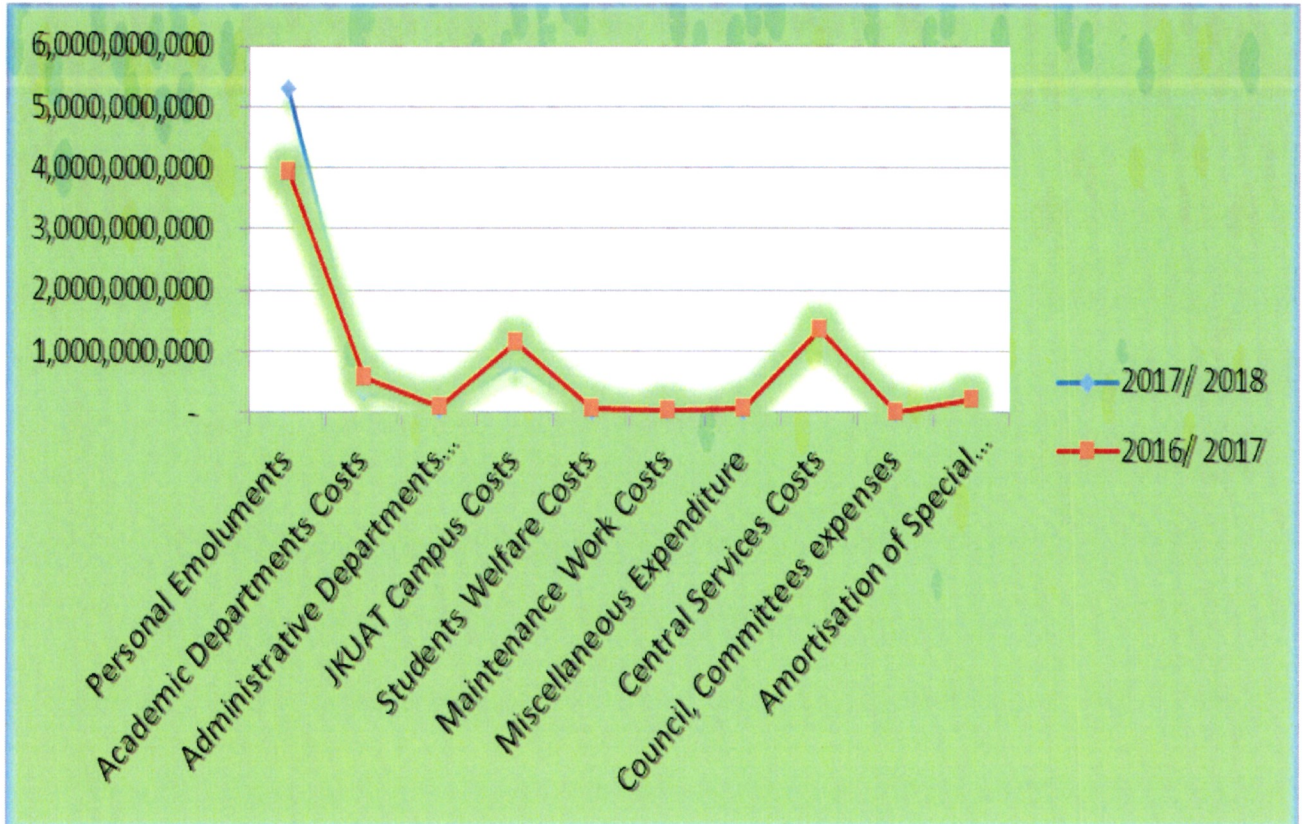
Graphical Representation of the Financial Performance

During the year 2017/2018, JKUAT received GoK recurrent grants transfer of **Kshs.3,046,775,536** and collected AIA **Kshs.4,643,259,014** giving a cumulative total of **Kshs.7,690,034,550** which was utilized to fund staff payroll and other operational costs.

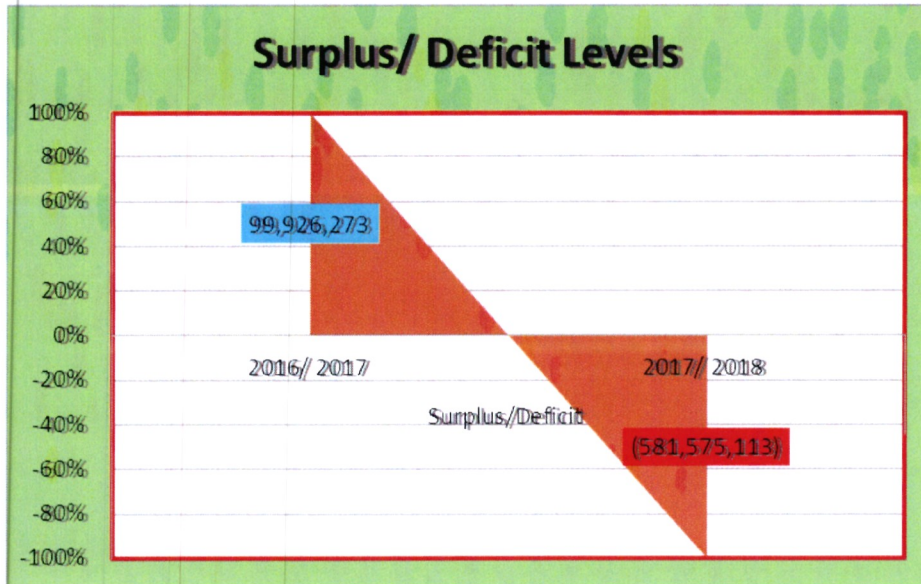
The following is a summary of the income JKUAT has received in the last two financial years:

Income Trends

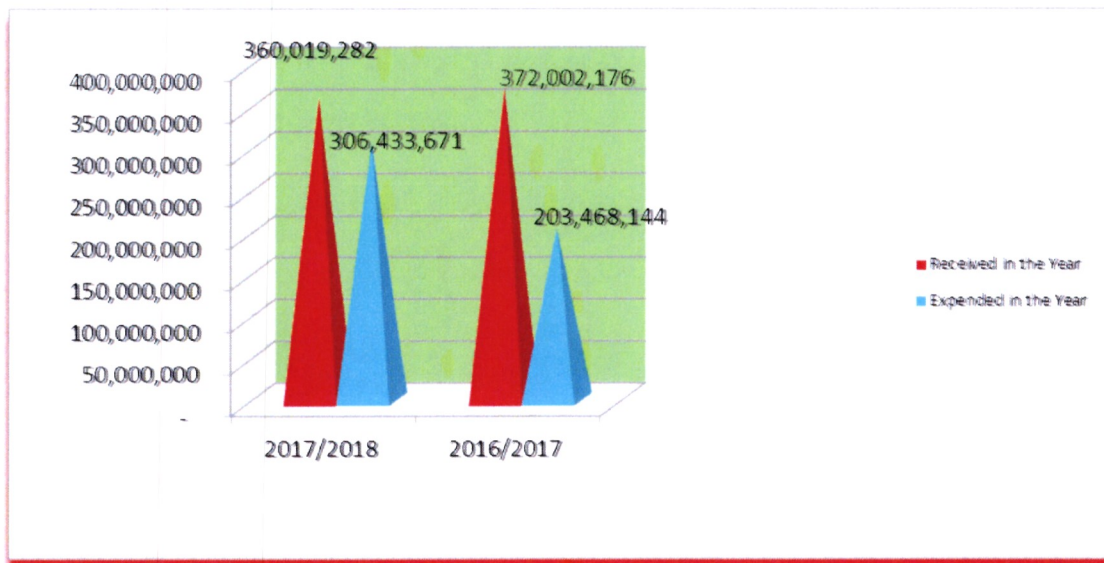




Comparison of Surplus levels



A Comparison of Amounts Received and Expended relating to Research Grants



C) KEY PROJECTS AND INVESTMENT DECISIONS JKUAT IS PLANNING/ IMPLEMENTING

The main sources of JKUAT's revenue for projects and investment decisions are the Exchequer from Government.

During the year, the following projects were executed;

- i. Improvement of access roads from Gate C and Sumitomo Gate.
This was achieved and has greatly eased navigation there.
- ii. Construction of the JKUAT Water Bottling Plant.

The following infrastructural projects were on-going;

- iii. Construction of Parking Lot between COHES and NSC Building
- iv. Completion of Administration Block C.
- v. Construction of the College of Human Resource and Enterprise Development Building.
- vi. Construction of the Nissin Plant.
- vii. Renovation of the Students' Centre

The Science Complex and College of Human Resource and Enterprise Development Buildings will provide space for lectures, laboratories, offices and other learning facilities. The increase in the number of lecture halls in the University will help reduce the current shortage experienced by the University occasioned by increased demand for JKUATs academic programs. These efforts are aimed at increasing access to education by providing space and facilities for quality teaching, learning and research, which is in line with the Government of Kenya strategic objective of increasing access to University education in support of Vision 2030. Extension of the Administration Building will ensure better administrative services are offered as this will be a more spacious and accommodative building, while the parking lot once complete will offer adequate parking to staff and students which has been a challenge at the University due to topology.

The water bottling plant is also anticipated to generate additional revenues and hence improve the University's much needed Appropriation in Aid.

Proposed Projects

The following projects are in the Master Plan for the financial year 2017/2018

1. Proposed Centre for Excellence in Engineering and Technology Building
2. Proposed Centre for Information and Communication Technology
3. Proposed Centre of Excellence in Biotechnology Research Building
4. Proposed Entrepreneurship and Development
5. Proposed Centre for Law, Science and Technology Studies
6. Proposed Construction of Perimeter wall round the University property
7. Proposed lighting and security system

The start and completion of these projects is subject to allocation of funds by National Treasury.

D) MAJOR RISKS FACING THE UNIVERSITY

The University's activities are exposed to a variety of financial risks including credit and liquidity risks, effects of changes in foreign currency and changes in market prices. The University's overall risk management framework focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The specific details of each risk component have been discussed on page 18 of this report.

VI. CORPORATE SOCIAL RESPONSIBILITY

The University acknowledges her responsibility to the society by playing an active role on public issues.

As part of CSR, JKUAT participated in the following activities:

- Cricket Farming Training for Food and Feed



Carolyn Koech (left), JKUAT PhD student in Food Science and Technology explains to Prof. Abukutsa (center), farmers and Prof. Obanda (right) how cricket lay their eggs

Farmers from Kajiado, Nairobi, Kiambu, Nanyuki, Kirinyaga, Embu, Nyeri, Machakos, Kitui, Laikipia, Nyahururu, Juja and Kisii converged at JKUAT for a 3-day training on cricket farming and processing for food and feed, November 13, 2017.

The training organised by the JKUAT Insect Farm (JIF) under the JKUAT Cricket Project seeks to equip farmers on how to set up a cricket farm and the day to day management of the farm. It also seeks to build the capacity of the farmers on the importance of cricket as a food and feed and explore on the opportunities of cricket farming.

During the opening of the training, Deputy Vice Chancellor in-charge of Research Production and Extension, Prof. Mary Abukutsa, said JKUAT was spearheading the dissemination of cricket farming and was confident that the training will produce competent cricket farmers who will eventually be trainers and champions of cricket farming in their various regions.

She also informed the participants that the JKUAT Insect Farm, apart from being a center of excellence on cricket farming, was also in the process of creating awareness of cricket farming to the food and feed manufacturers to provide a market for cricket products.

Prof. Abukutsa, acknowledging that cricket farming is a relatively ostracized innovation in the region assured the farmers that JKUAT will be available to offer technical support where needed. She was confident that the support would foster upscaling of cricket farming and utilisation as a source of protein in food and feed.

JKUAT Cricket Project Principal Investigator, Dr. John Kinyuru acknowledged that cricket farming will play a critical role towards economic empowerment and food security in the country. “Crickets offer a highly economical, sustainable solution to existing food and nutrition insecurity with the production and distribution of high quality protein to meet growing demand,” opined Dr. Kinyuru.



Dr. Kinyuru describes how to set up a cricket pen

On why farmers should pick up cricket farming, Dr. Kinyuru said crickets use less land, feed and water and have a high nutritional value as compared to livestock. The training ending November 15, 2017, will provide the farmers with a cricket farming and processing handbook. The handbook describes some of the common cricket species used in farming and the daily management of a cricket farm including processing for sale and important risks to be taken into consideration.

The training was also attended by JKUAT Director for Production and Innovation, Prof. Martin Obanda, JKUAT Director for Research, Dr. Patrick Mbindyo and JKUAT Cricket Project Investigator and JKUAT Dean, School of Biological Sciences, Dr. Shadrack Muya.

On the same front, training on edible insects farming was conducted in Turkana in order to leveraging on Technology to Restore Tropical Forests

Perennial food and nutrition security challenges experienced by residents of Turkana County could be ameliorated following the establishment of the Cricket Farm in the County, by Jomo Kenyatta University of Agriculture and Technology following the setting up of a pilot Cricket Farm. The introduction of Cricket farming in Turkana County is part of the University's initiatives to explore alternative sources of human food and animal feed consumption through tapping into the protein-rich edible insects. The initiative is spearheaded by the university's researchers in the Department of Food Science. According to Dr. John Kinyuru, the lead researcher from the Edible Insects Research Centre at JKUAT, plans to set up the Cricket Farm and Extension Services in Turkana are underway after the initial training and establishment of a cricket farm at the Kakuma Refugee Camp. The training which ran from 26th – 30th July, and organized by JKUAT in partnership with Danish Church Aid (DCA), saw participants taken through content on the edible insects value-chain.

- **Kajiado County Women Trained on Socio-Economic Empowerment**



Monirei (left) join other women as they prepare pawpaws for jam making

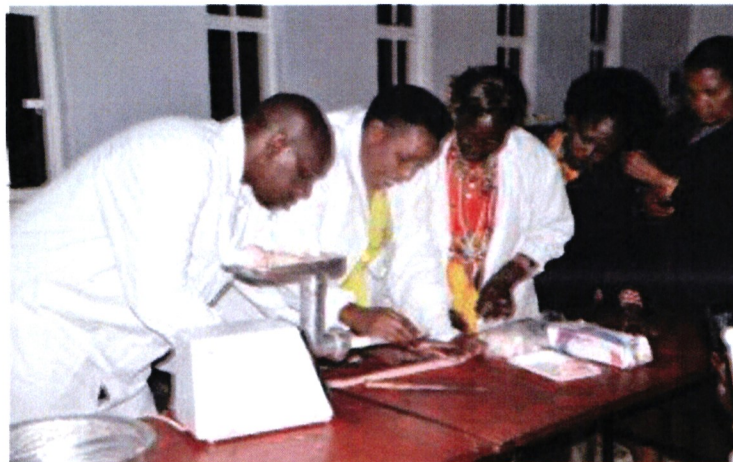
Pastoralism mainly practiced by the Maasai community, has over the years been under threat. Policies and governance systems that do not support the practice in Kenya combined with climate change and droughts have not helped the Maasai way of life due to inadequate pasture and water.

To tackle this, JKUAT and JICA took the message of women empowerment through agriculture to Kajiado County and undertook a week-long In-country training, December 11-15, 2018 themed: *'Incubating Grassroots Women Capacity for Sustainable Socio-Economic Empowerment and Livelihoods Transformation'*. The Training could not have come at a better time for the Kajiado residents who have been rearing animals for a long time but with the persistent droughts this farming has been adversely affected. It was high time they ventured into other kinds of farming for economic empowerment. They learnt about the value addition of milk. With the help of JKUAT and JICA, the farmers will set up a milk processing farm to produce and supply yoghurt all over the country.



Matampashi (right) prepares milk for youghurt production under the close eye of one of the trainers, Mr. Wilfred Kinundu (left)

They were encouraged to venture into organic farming and produce among others tomatoes.



Mr. George Mathege trains the women on sausage making

The In-Country Training Programme domiciled in the Division of Research, Production and Extension (RPE), seeks to improve rural women knowledge and skills in agricultural value addition and entrepreneurship for the betterment of their livelihoods. So far this year, JKUAT/JICA has trained 350 women in Kiambu, Machakos, Nyeri, Kitui, Kakamega, Narok and Kajiado

- **Varsity Stages Boot camp for High School students**



Prof. Bwisa makes a point during one of the boot camp sessions

A boot camp to help high school students select career paths, build character and grow entrepreneurial culture opened Monday December 11, 2018 at Jomo Kenyatta University of Agriculture and Technology. The five-day event organized by the Entrepreneurship, Technology, Leadership and Management (ETLM) Department saw students drawn from different schools also sensitized on the academic programmes offered by JKUAT.



Melody (right) and a section of participants follow the proceedings

The boot camp was facilitated by top JKUAT dons led by the seasoned entrepreneurship scholar, Prof. Henry Bwisa.

“There is a strong need for attitudinal change towards wage employment. The participants have been inducted into entrepreneurial self-assessment, and many are now warming up to idea of putting their innate artistic abilities into good use,” Prof. Bwisa said.

At hand to receive the students at JKUAT were ETLM Head of Department, Dr. Susan Wekesa, and Dr. Samuel Muli who represented the Dean, School of Entrepreneurship, Procurement and Management.

JKUAT Management in Tree Planting Exercise



Prof. Imbuga plays her part in the tree planting campaign

Vice Chancellor Prof. VICTORIA NGUMI led her University management in tree planting and challenged each one of them to make it their hobby even in their own homes to plant trees as a way of increasing the country’s forest cover which she said was still quite low.

She said while the government has launched an ambitious and successful tree planting campaign countrywide, there is need for Kenyans to compliment this effort stressing that trees were a determining factor to human life.

With every Kenyan planting a tree, the forest cover will increase from the current 7 per cent to at least 15 per cent by 2022 as is envisaged, said Prof. Imbuga, adding that the country had experienced many ecological challenges in the past due to wanton forest destructions.

The function which took place Monday April 30, 2018 at the University's Sino-Africa Joint Research Centre (SAJOREC), Juja Main Campus has so far seen over 500 trees planted by among others, members of the University's students associations.



Prof. Imbuga makes a few remarks after the tree planting exercise

These include the Jomo Kenyatta University of Agriculture and Technology Students' Environmental Management Association (JEMA), Jomo Kenyatta University Students Association (JKUSA) and Rotaract who are spearheading a tree planting campaign to plant 10,000 seedlings by the end of the rainy season. The campaign dubbed, "Keeping JKUAT Green" kicked off in earnest two weeks ago at the University's main campus.

PROF. VICTORIA WAMBUI NGUMI Ph.D.
VICE CHANCELLOR

PROF. PAUL KANYARI NJUKI
CHAIRMAN OF THE UNIVERSITY COUNCIL

**VII. STATEMENT OF JOMO KENYATTA UNIVERSITY COUNCIL MEMBERS
RESPONSIBILITIES FOR THE YEAR ENDED 30TH JUNE 2018**

Jomo Kenyatta University of Agriculture and Technology is required to prepare statements, which give a true and fair view of the state of affairs of the University as at the end of the financial year, and of its surplus or deficit for that year. The University Council is required to ensure that the University maintains proper accounting records which disclose with reasonable accuracy the financial position of the University. Council is also responsible for safeguarding the assets of the University.

Council accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years and in conformity with International Public Sector Accounting Standards. Council is of the opinion that financial statements give a true and fair view of the state of financial affairs of the University as at 30th June 2018 and for its surplus for the year then ended.

Council further confirms the accuracy and completeness of the accounting records maintained by the University, which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the system of internal financial control.

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

This statement if approved by Council and is signed on its behalf by:



PROF. VICTORIA WAMBUI NGUMI, Ph.D.

VICE CHANCELLOR



PROF. PAUL KANYARI NJUKI

CHAIRMAN OF THE UNIVERSITY COUNCIL

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Jomo Kenyatta University of Agriculture and Technology set out on pages 1 to 40, which comprise the statement of financial position as at 30 June 2018, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Jomo Kenyatta University of Agriculture and Technology as at 30 June 2018, 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 University's Act, 2012.

Basis for Qualified Opinion

1. Going Concern

The statement of financial performance as at 30 June 2018 reflects a deficit of Kshs.581,575,113 (2016-2017 surplus of Kshs.99,926,273). In addition the statement of financial position as at 30 June 2018 reflects current liabilities amounting to Kshs.4,455,660,228 which exceeds the current assets amount of Kshs.2,706,862,359 resulting in a negative working capital of Kshs.1,748,797,869. In the circumstances the university is technically insolvent and cannot meet its short term obligations as and when they fall due. The financial statements have therefore been prepared on a going concern basis on the assumption that the University will continue to get financial support from the Government, its creditors, and bankers.

Report of the Auditor-General on the Financial Statements of Jomo Kenyatta University of Agriculture and Technology for the Year Ended 30 June 2018

2. Trade and Other Receivables

The trade and other receivables balance in the statement of financial performance of Kshs.2,521,433,548 as at 30 June 2018, includes a receivable balance totalling Kshs.19,208,012 from thirty five (35) research projects which result from over expenditure on research projects. Management has not availed for audit review approvals for the over expenditure in these research projects and confirmation from the debtors listed acknowledging the debts.

In addition, the balance includes long outstanding balances totaling to Kshs.807,291,130 that has been outstanding for more than one (1) year out of which receivables totalling Kshs.5,082,242 relates to loan defaulters, by members of staff whose analysis and details as to whom the loans had been advanced, were not availed for audit review.

In the circumstances the validity and accuracy of the trade and other receivables balance of Kshs.2,521,433,548 as at 30 June 2018 could be ascertained.

3. Bank Loans

The statement of financial position as at 30 June 2018 reflects a total loan portfolio under current and non-current liabilities totaling Kshs.3,589,339,009. However, the Kenya Commercial Bank loan confirmation certificate as at 30 June 2018 reflects a loan balance of Kshs.5,299,863,421 resulting in unexplained variance of Kshs.1,710,524,412.

In the circumstances, the validity and accuracy of the loan balance totalling Kshs.3,589,399,009 reflected in the statement of financial position as at 30 June 2018 could not be ascertained.

4. Cash and Cash Equivalents

As reported in the previous year, the statement of financial position as at 30 June 2017 reflects a cash and bank balance of Kshs.135,701,116 which could not be confirmed as it includes an adjustment of Kshs.65,042,411 whose nature and supporting analysis was not availed for audit review. A review of the status as at 30 June 2018 revealed that management has not availed for audit review the supporting analysis for the adjustments.

Further the statement of financial position as at 30 June 2018, reflects cash and bank balance of Kshs.113,321,890 included in this balance is Kshs.13,753 that relates to I&M Kigali bank cashbook account whose bank confirmation certificate and bank reconciliation statements were not availed for audit review.

In the circumstances, the accuracy of the cash and cash equivalent balance of Kshs.113,321,890 reflected in the statement of financial position as at 30 June 2018 could not be ascertained.

5. Council, Committees Expenses

Note 5(ix) to the financial statement reflects council, committee expenses totalling Kshs.10,752,989, included in this amount is Kshs.5,530,256 being sitting allowance, out of which an amount of Kshs.820,000 was paid to the Council chairman and sub committees chairmen over and above the recommended amounts. The chairman and subcommittee chairmen were paid at the rate of Kshs.30,000 per sitting which is above the set rate of Kshs.20,000 per sitting contrary to the terms and conditions of service for members of the board as outlined by Circular Ref No. OP/CAB.9/21/2AL11/43.

In the circumstances the propriety of the excess expenditure of Kshs.820,000 for the year ended 30 June 2018 could not be ascertained.

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. Except for the matters described in the basis for qualified opinion section, I have determined that there were no Key Audit Matters to communicate in my report.

Other Matter

1.0 Budgetary Control and Performance

1.1 Revenue Budget

The University had a total revenue budget of Kshs.8,708,238,154 for the financial year 2017/2018 against an actual amount earned of Kshs.7,703,684,550 resulting in an under collection by Kshs.1,004,553,604. It is evident that the University fell short of the revenue budget by Kshs.1,004,553,604 or 11.54% due to shortfall of actual revenue received from tuition fees, development grant from the Ministry and other income which is partly attributed to the industrial strikes by academic staff as analysed below.

Item	Budget allocation 2017/2018 (Kshs)	Actual 2017/2018 (Kshs)	Variance (Kshs)	Under/Over Absorption rate in %
Government Grant - Recurrent	1,747,805,038	2,183,976,069	-436,171,031	-24.96%
Recurrent Grant- CBA Arrears	999,603,368	862,799,467	136,803,901	13.69%
Government Grant Income	2,747,408,406	3,046,775,536	-299,367,130	-10.90%

Item	Budget allocation 2017/2018 (Kshs)	Actual 2017/2018 (Kshs)	Variance (Kshs)	Under/Over Absorption rate in %
Refund Special Grant- Development Grant	130,000,000	13,650,000	116,350,000	89.50%
Total Government Grant	2,877,408,406	3,060,425,536	-183,017,130	-6.36%
Tuition and other Fees Income	5,104,407,637	3,736,632,057	1,367,775,580	26.80%
Other income	421,926,420	388,645,938	33,280,482	7.89%
Expected Rent	157,813,923	211,547,348	-53,733,425	-34.05%
Special Accounts & Grants	146,681,768	306,433,671	-159,751,903	-108.91%
Sub Total	5,830,829,748	4,643,259,014	1,187,570,734	20.37%
Total Income	8,708,238,154	7,703,684,550	1,004,553,604	11.54%

1.2 Expenditure Budget

Similarly during the year under audit the University had an expenditure budget of Kshs.8,367,419,055 against actual expenditure of Kshs.8,271,609,663 resulting in net under-expenditure of Kshs.95,809,392 or 1.15% as detailed below.

Expenditure	Budget allocation 2017/2018 (Kshs)	Actual 2017/2018 (Kshs)	Variance (Kshs)	Under/Over Absorption rate in %
Personal Emoluments	4,995,968,062	5,309,475,190	313,507,128	-6.28%
Academic Departments Costs	464,418,898	339,653,383	124,765,515	26.86%
Administrative Departments Costs	74,632,761	103,310,852	-28,678,091	-38.43%
JKUAT Campus Costs	943,313,338	857,926,556	85,386,782	9.05%
Students Welfare Costs	53,412,500	34,586,671	18,825,829	35.25%
Maintenance Work Costs	23,840,405	25,057,694	-1,217,289	-5.11%
Miscellaneous Expenditure	38,006,777	44,010,209	-6,003,432	-15.80%
Central Services Costs	1,614,058,152	1,240,402,448	373,655,704	23.15%

Expenditure	Budget allocation 2017/2018 (Kshs)	Actual 2017/2018 (Kshs)	Variance (Kshs)	Under/Over Absorption rate in %
Council, Committees expenses	13,086,394	10,752,989	2,333,405	17.83%
Special Accounts & Grants	146,681,768	306,433,671	-159,751,903	-108.91%
Total Expenditure	8,367,419,055	8,271,609,663	95,809,392	1.15%

From the analysis above the under absorption of Kshs.95,809,392 can be attributed to under expenditure which may have a negative impact on implementation of planned activities and service delivery to stakeholders. There is need for the University to re-look at its budgeting mechanism and plan a realistic budget with the resources available to avoid over budgeting.

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 matters described in Basis of Conclusion on Lawfulness and Effectiveness in use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Trade and Other Payables-Unremitted Statutory Deductions/contributions

Note 12 to the financial statements reflects sundry creditors balances of Kshs.3,320,022,878 whose detailed analysis shows unremitted deductions and employer contributions relating to pension totalling to Kshs.1,243,225,837. This is contrary to Section (4) of the Employment Act cap 226 of 2007, which requires that an employer who deducts an amount from an employee's remuneration in accordance with this Act, shall remit the amount so deducted to the relevant authorities/institutions in accordance with the time period and other requirements specified in the law, agreement, court order or arbitration as the case may be. Further, the university has not remitted Pay As You Earn (PAYE) tax amounting to Kshs.756,821,292.80 as at 30 June 2018 as required by Section 37(a) and section 38 of the Income tax Act 2014 which stipulates that where a corporate body which deducts and fails to remit the deducted amount as required or as directed by the Commissioner shall be guilty of an offence and shall be liable to penalties and interest on unremitted amounts.

In addition, audit fees amounting to Kshs.22,008,000 has not been remitted to the Office of the Auditor-General for over four years.

In the circumstances the University is in breach of the law and risks incurring heavy penalties and interests from Kenya Revenue Authority for non-remittance of PAYE deducted.

2. Property Plant and Equipment

2.1. Proposed Erection of Perimeter Wall

Note 8 to the financial statements as at 30 June 2018 reflects work in progress balance of Kshs.779,626,519, included in this balance is an expenditure totaling Kshs.50,698,799 relating to the proposed erection of a perimeter fence along the road leading to the University main entrance in Juja in 2012 for a contract sum of Kshs.68,836,283.00. Physical verification of the project in March 2019 reveals that the fence stalled at foundation level yet Kshs.50,698,799 or approximately 73.6% of the contract sum has been paid to date.

Management has not provided evidence that this fence was done on University land and in the circumstances the amount Kshs.50,698,799 paid so far for the project may not have been a proper charge to public funds and the amount may have gone to waste.

2.2. Water Bottling Plant

The property plant and equipment balance of Kshs.9,291,460,864 as at 30 June 2018 reflected under note 8 to the financial statements includes a proposed water bottling project in which records available indicate that Kshs.14,321,333 has been spent to date. Verification of the project in March 2019 revealed that the project is not in use and the plant has never been functional despite the fact that Kshs.14,321,333 has been spent to date towards operationalizing the project. Management has not given satisfactory explanation for the lack of operationalization of this in this project.

In the circumstances, it has not been possible to confirm the propriety of the expenditure totalling of Kshs.14,321,333 on the water bottling plant.

2.3. Construction of the New Administration Block

2.3.1. Delay in Completion and Irregular Variations

The University entered into contract for the construction of the new administration block for a contract period of seventy-two (72) weeks commencing on 21 January 2013 at a contract sum of Kshs.285,919,713. A review of the project documents reveals that the contract was extended to 6 December 2014 and the contract sum was varied to Kshs.339,392,594 representing an increase of 19% of the original contract sum.

As at 30 June 2018, the works had not been completed and the gross valued works stood at Kshs.278,217,678 while Kshs.207,025,253 had already been paid to the contractor. No valid extension of contract period by the project manager and no approval of the variations that exceeded the 15% allowable level of the then applicable Public Procurement and Disposal Act 2005 were availed for audit review. Further, no explanation has been availed by management on how and when it intends to complete the building and put to its intended use.

In the circumstances stakeholders may not have got value for their resources in this project.

2.3.2. Nugatory Expenditure

Examination of payment records for the project indicate that payments totaling Kshs.16,044,383 were made being interest on delayed payments of certificates presented to the University by the project manager. No satisfactory reason has been availed by management for the delay in payment of certificates resulting into these penalties. Had the University paid the certificates on time, the interest charged on the delay would have been avoided and in the circumstances, the payment is nugatory.

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

Examination of staff ethnic diversity data for the University reveals that as at 30 June 2018 the University had 2,638 staff members out of which 1,181 were from one ethnic community representing 45% of the total staff population. This is in contravention of the provisions of Section 7 (2) of the National Cohesion and Integration Act, 2008 which requires that no public establishment shall have more than one third of its staff from the same ethnic community. The University management is therefore in breach of the law.

4. Irregular Procurement of Services

Records available indicate that the University during the 2017 graduation awarded contracts for the provision of audio visual services and provision of tents at a contract sum of Kshs.2,500,000 and Kshs.2,000,000 respectively to a firm on 13 November, 2017. Scrutiny of the procurement records indicate that the approved requisition for this services is dated 9 November 2017, while the evaluation minutes are dated 7 November 2017 while the quotations had been issued to suppliers on 6 November 2018. No explanation by management as to how it issued request for quotations to the suppliers before having an approved requisition.

Further, it was not clear under what criteria/grounds the evaluation committee awarded the contract for the provision of dome tents as the supplier was not the lowest evaluated bidder. This is contrary to the provisions of section 106(3) of the Public Procurement and

Assets Disposal Act 2015 that require that the successful quotation shall be the quotation with the lowest price that meets the requirements set out in the request for quotations.

In the circumstances, the University violated the provisions of the Public Procurement and Assets Disposal Act 2015.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on 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 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 Those Charged with Governance

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 continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the University or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements

caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

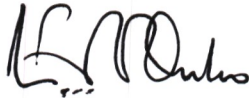
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the University to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

12 April 2019



JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

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**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2018**


INCOME	NOTE	2017/ 2018	2016/ 2017
		KSHS	KSHS
Income from Non-exchange transactions	2	3,046,775,536	1,400,021,650
Income from Exchange transactions			
Tuition and Other Fees - Main Campus	3(i)	3,736,632,057	5,499,277,317
Incomes from Other services rendered	4(i)	70,339,151	179,212,940
Other Income	4(ii)	529,854,135	335,664,628
Amortisation of Special Accounts & Grar	7b	306,433,671	203,468,144
Sub Total		4,643,259,014	6,217,623,028
		7,690,034,550	7,617,644,678
EXPENDITURE			
Personal Emoluments	5(i)	5,309,475,190	3,942,101,378
Academic Departments Costs	5(ii)	339,653,383	587,370,541
Administrative Departments Costs	5(iii)	103,310,852	94,188,591
JKUAT Campus Costs	5(iv)	857,926,556	1,153,770,453
Students Welfare Costs	5(v)	34,586,671	56,150,902
Maintenance Work Costs	5(vi)	25,057,694	44,692,795
Miscellaneous Expenditure	5(vii)	44,010,209	56,724,909
Central Services Costs	5(viii)	1,240,402,448	1,366,074,997
Council, Committees expenses	5(ix)	10,752,989	13,175,693
Amortisation of Special Accounts & Grar	7b	306,433,671	203,468,144
		8,271,609,663	7,517,718,405
Surplus / (Deficit) for the year		(581,575,113)	99,926,273


JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY


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STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2018

	<u>NOTE</u>	<u>2017/ 2018</u> KSHS	<u>2016/ 2017</u> KSHS
ASSETS			
CURRENT ASSETS			
Inventories	9	72,106,921	190,814,328
Trade and Other Receivables	10	2,521,433,548	2,312,899,536
Cash and bank balances	11a	113,321,890	135,701,116
		2,706,862,359	2,639,414,979
NON CURRENT ASSETS			
Property, Plant and Equipment	8	9,291,460,864	9,325,607,272
Investment in Subsidiary	13	25,644,004	25,644,004
Biological Assets-Livestock	15	8,560,000	6,236,632
Investment in Joint Venture	13	150,000,000	150,000,000
		9,475,664,868	9,507,487,908
TOTAL ASSETS		12,182,527,227	12,146,902,888
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	12	3,463,511,176	2,753,886,626
Deferred Income: Special Accounts & Grants - Unexpended Amount	7a	429,905,622	377,466,373
Bank Loan	14a	159,221,143	382,454,980
Current Portion of Borrowings	11b	403,022,287	438,605,214
		4,455,660,228	3,952,413,193
NON-CURRENT LIABILITIES			
Bank Loan	14b	3,430,117,866	3,374,564,944
TOTAL LIABILITIES		7,885,778,094	7,326,978,138
NET ASSETS			
Capital Fund	6	2,220,297,697	2,161,898,201
Revaluation Reserve	6	1,350,892,790	1,350,892,790
Accumulated Surplus	6	725,558,646	1,307,133,759
		4,296,749,133	4,819,924,750
TOTAL NET ASSETS AND LIABILITIES		12,182,527,227	12,146,902,888
TOTAL FUNDS, GRANTS AND LIABILITIES		12,182,527,227	12,146,902,888


CPA MARY NGUGI
AG. FINANCE OFFICER


PROF. BERNARD O. MOIRONGO, PhD.
DEPUTY VICE-CHANCELLOR (FINANCE)


PROF. VICTORIA NGUMI
VICE-CHANCELLOR

**STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30TH JUNE 2018**

	Capital Fund	Revaluation Reserve	Accumulated Surplus	TOTAL
As at 30th June 2016	2,013,935,543	1,350,892,790	1,207,207,486	4,572,035,819
Additions in the Year	147,962,658	-		147,962,658
Surplus for the Year			99,926,273	99,926,273
As at 30th June 2017	2,161,898,201	1,350,892,790	1,307,133,759	4,819,924,750
Additions in the Year	58,399,496	-		58,399,496
Deficit for the Year			(581,575,113)	(581,575,113)
As at 30th June 2018	2,220,297,697	1,350,892,790	725,558,646	4,296,749,133

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY.

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2017/ 2018 <u>KSHS</u>	2016/ 2017 <u>KSHS</u>
<u>CASHFLOWS FROM OPERATING ACTIVITIES</u>			
Surplus/(Deficit) for the year	Pg 10	(581,575,113)	99,926,273
Adjustment for :			
Depreciation Charge	8	179,428,656	193,458,170
Amortization of KPMG Audit Software	8	-	692,284
Operating Profit before working capital changes		(402,146,457)	294,076,728
Decrease (Increase) in Debtors		(208,534,012)	(771,233,801)
Decrease (increase) in Inventories		118,707,407	139,018,011
Increase (Decrease) in Other Payables-Special Accounts		52,439,249	171,246,889
Increase (Decrease) in Creditors		<u>709,624,550</u>	<u>574,616,665</u>
		672,237,194	113,647,764
Net Cash Generated from Operating Activities		270,090,737	407,724,492
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of Furniture	8	(7,396,960)	(10,656,994)
Additions to Work In Progress	8	(69,603,280)	(106,337,382)
Purchase of Motor Vehicles	8	-	(17,095,089)
Purchase of Computers and Equipment	8	(23,532,502)	(26,464,835)
Increase in Biological assets	8	<u>2,323,368</u>	<u>(3,493,368)</u>
Net cash used in Investing Activities		(102,856,110)	(164,047,669)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Grants allocated to Finance Capital Fund	6	13,650,000	75,462,658
Asset Based Financing - Motor Vehicles		-	12,295,089
Bank Loan - Kigali	14	(8,459,772)	(2,411,111)
Asset Based Financing Repayment - Motor Vehicles	14	(6,509,942)	(6,307,025)
Bank Loan - JKUAT Towers	14	-	(148,113,629)
Bank Loan - Kenyatta Road	14	<u>(152,711,201)</u>	<u>(223,236,476)</u>
Net cash used in Financing Activities		(154,030,925)	(292,310,495)
Net Increase (Decrease) in cash and cash equivalents		13,203,701	(48,633,672)
Cash and cash equivalents at beginning of year		(302,904,098)	(254,270,425)
Cash and cash equivalents at end of year		(289,700,397)	(302,904,098)
<u>SUMMARY OF CASH AND BANK BALANCES</u>			
Cash on hand and balance with banks		113,321,890	135,701,116
Bank overdraft		(403,022,287)	(438,605,214)
TOTAL		(289,700,397)	(302,904,098)

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

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STATEMENT OF COMPARISON OF BUDGET Versus ACTUAL AMOUNTS
FOR THE YEAR ENDED 30TH JUNE 2018

	ORIGINAL BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL ON COMPARABLE BASIS	PERFORMANCE DIFFERENCE
	<u>2017/2018</u>	<u>2017/2018</u>	<u>2017/2018</u>	<u>2017/2018</u>	<u>2017/2018</u>
	KSHS	KSHS	KSHS	KSHS	KSHS
INCOME					
Government Grant - Recurrent	1,747,805,038	-	1,747,805,038	2,183,976,069	436,171,031
Recurrent Grant- CBA Arrears	999,603,368	-	999,603,368	862,799,467	
Government Grant Income	2,747,408,406	-	2,747,408,406	3,046,775,536	299,367,131
Refund Special Grant- Development Grant	130,000,000	-	130,000,000	13,650,000	(116,350,000)
Total Government Grant	2,877,408,406	-	2,877,408,406	3,060,425,536	183,017,131
Tuition and other Fees Income	5,104,407,637	-	5,104,407,637	3,736,632,057	(1,367,775,580)
Other income	421,926,420	-	421,926,420	388,645,938	(33,280,482)
Expected Rent	157,813,923	-	157,813,923	211,547,348	53,733,425
Special Accounts & Grants	146,681,768	-	146,681,768	306,433,671	159,751,903
Sub Total	5,830,829,748	-	5,830,829,748	4,643,259,014	(1,187,570,734)
Total Income	8,708,238,153	-	8,708,238,153	7,703,684,550	(1,004,553,603)
EXPENDITURE					
Personal Emoluments	4,995,968,062	-	4,995,968,062	5,309,475,190	(313,507,129)
Academic Departments Costs	464,418,898	-	464,418,898	339,653,383	124,765,515
Administrative Departments Costs	74,632,761	-	74,632,761	103,310,852	(28,678,091)
JKUAT Campus Costs	943,313,338	-	943,313,338	857,926,556	85,386,782
Students Welfare Costs	53,412,500	-	53,412,500	34,586,671	18,825,829
Maintenance Work Costs	23,840,405	-	23,840,405	25,057,694	(1,217,289)
Miscellaneous Expenditure	38,006,777	-	38,006,777	44,010,209	(6,003,432)
Central Services Costs	1,614,058,152	-	1,614,058,152	1,240,402,448	373,655,705
Council, Committees expenses	13,086,394	-	13,086,394	10,752,989	2,333,405
Special Accounts & Grants	146,681,768	-	146,681,768	306,433,671	(159,751,903)
Total Expenditure	8,367,419,054	-	8,367,419,054	8,271,609,663	95,809,391
Surplus for the year	340,819,099		340,819,099	(581,575,113)	(908,744,212)

Budget Notes:

- Decline in tuition & other fees Incomes was due to reduced number os students intake in SSP due to low KCSE performance
- Decline in Other Incomes was due to underperformance of IGUs resulting from decline number of students, currency economic trends & inflation
- Positive variance in rental income resulted from occupation of vacant space at the campus building
- Variance resulted in Govt funding the CBA arrears portion and the Govt not meeting the incremental cost on the staff enhanced salaries as well as increased portion on pension
- Variance resulted from disruption of academic calender in Sept-Dec semester in 2017 leading to postponement of some activities to subsequent period
- Variance resulted in increased costs in repairs & maintenance since its an expense that occurs in an unpredictable manner
- Variance resulted from disruption of academic calender in Sept-Dec semester in 2017 leading to postponement of some activities to subsequent period
- Variance resulted from increased research activities in the year

NOTES TO THE FINANCIAL STATEMENTS

1.1 GENERAL INFORMATION

Jomo Kenyatta University of Agriculture and Technology is established by and derives its authority and accountability from Act of Parliament, CAP 210 (C) of the Laws of Kenya. JKUAT is wholly owned by the Government of Kenya and is domiciled in Kenya. The principal activities are

- a) to provide directly or indirectly or in collaboration with other institutions of higher learning, facilities for University education (including agriculture, scientific, cultural, technological and professional education), and integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of the citizens of Kenya;
- b) to participate in the discovery, transmission and preservation and enhancement of knowledge and to stimulate the intellectual participation of students in the economic, technological, agricultural, professional and cultural development of Kenya;
- c) to play an effective role in the development of agriculture and technology in conjunction with the industry and to provide extension services so as to contribute to the social and economic development of Kenya;
- d) subject to the Universities Act (Cap. 210B), to co-operate with the Government in the planned development of University education and, in particular, to examine and approve proposals for new faculties, new departments, new degree courses or new subjects of study proposed to it by any constituent college or other post-secondary institution; to determine who may teach, what may be taught, how it may be taught and when it may be taught at the University.

1.2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

Jomo Kenyatta University of Agriculture and Technology financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) accrual basis. The financial statements are presented in Kenya shillings, which is the functional and reporting currency of JKUAT. The accounting policies have been applied as per IPSAS in the year under review.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

1.3 ADOPTION OF NEW AND REVISED STANDARDS

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2018

Standard	Impact
IPSAS 39: Employee Benefits	Applicable: 1st January 2018 The objective to issue IPSAS 39 was to create convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to the amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2018

Standard	Effective date and impact:
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019: The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only) Business combinations and combinations arising from non exchange transactions which are covered purely under Public Sector combinations as amalgamations.

iii. Early adoption of standards

Jomo Kenyatta University of Agriculture and Technology did not early-adopt any new or amended standards in year 2018.

1.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions – IPSAS 23

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 JKUAT and can be measured reliably.

ii) Revenue from exchange transactions – IPSAS 9

Rendering of services

Jomo Kenyatta University of Agriculture & Technology recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

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 JKUAT.

Rental income

The University owns JKUAT Towers that has operating leases on part of it. The University occupies three floors and has leased out the remaining ones to private businesses. The leases are handled by a property management Company- Knight Frank. Rental income arising from these operating leases on investment property is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information - IPSAS 24

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of JKUAT. As a result of the adoption of the accrual basis for budgeting purposes, there is no basis, timing or organization's differences that would require reconciliation between the actual comparable

amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

c) Investment property – IPSAS 16

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 30-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.

d) Property, plant and equipment – IPSAS 17

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, JKUAT 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

Annual Report and Financial Statements for the year ended 30 June 2018

initially measured at its fair value. Depreciation is calculated on a straight line basis at the following rates:

Description	Annual Rate
- Freehold land	Nil
- Buildings	2%
- Motor vehicles	20%
- Fixtures, furniture & fittings	10%
- Computers and Equipment	30%

Capital work in progress is not depreciated until such a time as the asset is brought into use.

e) Research and development costs

All research costs are expensed as incurred.

Development costs are capitalized only after technical and commercial feasibility of the resulting product or service have been established.

f) Financial instruments – IPSAS 29

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. JKUAT determines the classification of its financial assets at initial recognition.

g) Impairment of financial assets

JKUAT assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated.

Evidence of impairment may include the following indicators:

- The debtors or an entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

h) Financial instruments

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. JKUAT determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

i) Inventories – IPSAS 12

Inventory is measured at cost upon initial recognition. 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.

Annual Report and Financial Statements for the year ended 30 June 2018

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 JKUAT.

j) Provisions – IPSAS 19

Provisions are recognized when JKUAT 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 JKUAT 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.

Contingent liabilities

JKUAT 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.

Contingent assets

JKUAT 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 JKUAT 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.

k) Nature and purpose of reserves

JKUAT creates and maintains reserves in terms of specific requirements as follows

- i) Capital Reserve – this is used to record contribution made by government in form of development grants transfers
- ii) Revaluation Reserve – this is used to indicate the re-valued amounts on the plant property and equipment, and any other adjustments on the same.

l) Changes in accounting policies and estimates – IPSAS 3

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

m) Employee benefits – IPSAS 25

Retirement benefit plans

JKUAT 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.

n) Foreign currency transactions – IPSAS 4

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.

o) Borrowing costs – IPSAS 5

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.

p) Related Party Disclosures – IPSAS 20

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 University, or vice versa. The National Government and Members of Council are regarded as related parties in preparation of these financial statements. National Government transactions have been disclosed under revenue from non- exchange transactions - government grants (note 2) while Members of Council have been disclosed under board expenses in the statement of financial performance (note 5(ix)).

q) Cash and cash equivalents

Cash and cash equivalents comprise cash at 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 Commercial Banks and Mpesa holding account at the end of the financial year.

r) Comparative figures

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

1.5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

– IPSAS 1

The preparation of the JKUAT 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

Critical accounting judgments in applying the organization's accounting policies

Impairment losses on trade and other receivables

The organisation reviews its trade and other receivables to assess impairment regularly. In determining whether an impairment loss should be recognised through profit or loss, the company makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from the receivables, before a decrease can be identified. This evidence may include observable data indicating that there has been an adverse change in the payment status of customers or local economic conditions that correlate with defaults on assets in the company. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

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. JKUAT based its assumptions and estimates on parameters available when the 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 JKUAT. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Key sources of estimation uncertainty

Impairment of assets

At the end of each reporting period, the authority reviews the carrying amount of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment (if any).

Useful lives and residual values

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

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

Fair value estimation – financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions – IPSAS 19

Provisions are recognized when JKUAT 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

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.

Where JKUAT 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.

Taxation

JKUAT is exempted from taxation and therefore no provision for tax liability has been made in financial statements.

Subsequent events – IPSAS 14

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, 2018.

Financial Risk Management

The University's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The University's overall risk management focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The University's financial risk management objectives and policies are detailed below:

Annual Report and Financial Statements for the year ended 30 June 2018

(i) Credit risk

The University has exposure to credit risk which is the risk that counterparty to a financial instrument will be unable to pay amounts in full when due thus causing a financial loss. Credit risk arises from cash and cash equivalents and trade receivables.

Credit risk on trade receivables is managed by ensuring that credit is extended to students with established credit history. Credit is managed by setting the credit limit and the credit period for each category of customer. These parameters are monitored by the University Management Board on a semester basis.

(ii) Market risk

The University has put in place an internal audit function to assist it in assessing the risk faced by the University on an on-going basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks: currency risk, interest rate risk and other price risk.

(iii) Foreign currency risk

Foreign currency exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the university's functional currency. The university primarily transacts in the Kenya shilling and its assets and liabilities are denominated in the same currency. The university's exposure to foreign currency risk is minimal.

(iv) Interest rate risk

Interest rate risk is the risk that the University's financial condition may be adversely affected as a result of changes in interest rate levels. The University's interest rate risk arises from loans advanced to the University at interest rates that are subject to fluctuation. If the rates go up, the university suffers a loss. Another risk arises from deposits held with financial institutions. This exposes the University to cash flow interest rate risk.

Annual Report and Financial Statements for the year ended 30 June 2018

(v) Management of interest rate risk

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

(vi) Sensitivity analysis

The University analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. 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.

Using the end of the year figures, the sensitivity analysis indicates no impact on the statement of financial performance. This is due to the fact that at the end of the financial year there was no investment that would be affected by fluctuations in the interest rates.

(vii) Price risk

The University does not hold investments that would be subject to price risk; hence this risk not applicable.

1.7 Reserves

a) Capital fund

This reserve relate to items of property plant and equipment developed from capital grants received from national government, other development partners and transfers from revenue reserve on purchase of additional assets.

b) Accumulated reserve

This relates to surplus / deficit accrued by the university over time.

c) Revaluation reserve

This reserve relate to items of property plant and equipment that have been revalued after acquisition.

1.8 Leases Arrangements

The University continues to lease properties in various towns where the JKUAT campuses are located but it does not own the property. These include; Mombasa, Nakuru, Eldoret, Kakamega, Kisumu, Kitale, Kigali and Arusha. The Council will continue to ensure that all requirements with respect to offering university education are met at all rented facilities.

1.9 Research Grants Reconciliation

Research Grants are receivable from institutions both local and foreign that have entered into funding agreements for purposes of furtherance of areas of common interest in training, research and community outreach activities. The terms of these grants are as specified in the agreements. Research grants expended in the year are amortized and the total amount outstanding on the research projects has been included in the Current Liabilities. An itemized summary is available under (Note 7a).

1.10 Biological Assets – IPSAS 27

Biological Assets are made up of farm animals. The initial recognition is at cost, while subsequent recognition is at fair market value less costs to sell.

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

		2017/ 2018	2016/ 2017
		KSHS	KSHS
2	<u>GOVERNMENT GRANT</u>		
70000	Grants in Aid - CBA Arrears	862,799,467	
70003	Recurrent Grant	2,183,976,069	1,400,021,650
		3,046,775,536	1,400,021,650
3(i)	<u>TUITION AND OTHER FEES - MAIN CAMPUS</u>		
70012	ID/Registration Fees	23,043,505	36,408,878
70013	Residential Fees	16,920,119	506,700
70014-01	Tuition Fees	3,214,158,415	4,695,710,917
70015-01	Examination Fees	148,239,248	213,833,338
70016-01	Medical Fees	80,840,084	114,986,800
70043/4/5	Post Graduate Fees	4,059,065	3,734,620
70042	Bsc. application fees	3,096,402	5,924,270
70046-01	Internet	46,004,526	67,022,905
70047	Computer fees	50,829,028	77,605,900
70048	Library fees	33,261,713	48,947,839
70049	Field trips/attachment	75,429,349	125,325,201
70059-01	Students Laptop Fees	40,750,604	109,269,950
		3,736,632,057	5,499,277,317
4(i)	<u>OTHER SERVICES RENDERED</u>		
87031	Rechargable transport	16,672,519	56,424,897
87032	East Africa Games 2016	-	2,451,391
87044	Nursery School	1,890,261	1,721,437
61297-15	Liguyani Farm	1,782,080	296,200
87045	Farm crops	18,330	-
87047-1/2/3/4	Staff Cafeteria	16,620,972	18,250,573
87049	Xeroxing and printing	4,839,015	1,769,594
87066	Workshop Production	436,447	793,952
87048	Food Processing	553,355	-
87124	Biotechnology Production	5,000	7,265
87126	Hospital fund	10,383,011	5,682,774
87127	Library Production	437,735	94,249
87129	Consultancy services	8,937,715	407,194
87133-01/02	Bookshop Income	409,695	572,711
87173	Show Product Sales	550	29,712
87177	Serena /Candle IGU A/C	2,979,972	4,509,533
87178	Outside Catering unit	35,260	1,491,447
87203	Farm machinery	277,871	-
87204	Health centre dental	149,550	186,440
87269-565-461/2	JKUAT Computer Assembling Unit-Taifa	2,732,014	63,472,337
87325	Botany IGU	-	36,030
17800-01	Short Courses and Trainings	461,500	8,397,003
87392	ICT Consultancy centre Nrb CBD	-	12,395,200
87456	Medical lab science IGU	188,500	223,000
88567	ISO Training Income	527,800	-
		70,339,151	179,212,940

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

	2017/ 2018	2016/ 2017
	KSHS	KSHS
4(ii) OTHER INCOME:		
70001-01 Accommodation Charges	16,879,615	32,960,462
70002-05 JKUAT Towers Rental Income	211,547,348	157,813,923
70004/02/ House Rent	10,171,850	10,431,818
70006 Furniture Charges	-	7,500
70008 Water Charges	2,539,005	3,836,620
70010 Shop Rent	635,263	938,261
70011 Transport Charges	-	31,500
70017 Accrued Interest on fixed deposit	759,801	698,335
70018-01 Miscellaneous income	6,111,258	14,320,302
70020 Disposal of Fixed Assets	-	189,645
70021 Library Fines	36,735	186,473
70023 Laundry Charges	6,257,227	9,204,805
70025 Hire of Graduation Gowns	24,541,549	16,606,769
70028 Donations	-	4,600,000
70029 Bridging Maths	-	5,180,738
70030 Students P.A.Y.E	12,187,658	16,738,997
70032 Project fees	3,593,253	8,224,565
70033 KUCCCPS - Main Campus	85,500	6,438,000
70034 Research/Attachment Fees	2,000	2,000
70037 Journal of Agric	8,000	24,000
70038 Interest on Deposits and Savings	-	13,275
70039 Project Admin Costs	1,156,054	1,275,124
70040 JKUAT Hospital Cost Sharing	1,547,745	353,242
70041 Penalty Fees on Damages	156,000	83,200
70051 Sale of tenders	4,000	312,800
70052 Swimming Pool Charges	459,880	-
70054 Training Income	3,236,636	5,017,577
70054-01- Ethic Reviw fees - Research Dept	4,000	-
70056 Guest Houses Rental Income	60,000	169,720
70058-01 CUE Inspection Fees	28,259,148	-
70060 Car Pass	1,300	1,000
70076 Alumni Fees	-	13,219,665.00
70162-01- Photo Session/Video Shooting - SAJOREC	46,000	23,350.00
70164-01- Botanical Garden Entry Fees - SAJOREC	68,760	26,650.00
70165-01- Rebates recieved(Miscosoft) - NITP/DLP	193,873,571	21,402,178.07
70165-01- Laboratory Bench Fees - SAJOREC	150,000	-
70166-01- Private Schools Laptop Sales - NITP	5,474,978	-
61138 Foreign Exchange Income	-	5,332,133.96
	529,854,135	335,664,628
5(i) PERSONAL EMOLUMENTS		
61000 Staff Salary	2,954,531,373	1,810,358,393
61001 Casual Workers	26,696,856	26,472,509
61002 Part-time Teaching	1,790,960	1,696,586
61040 Gratuity and Pension Contributions	497,225,680	338,276,233
61041 Group Life Insurance	19,339,296	23,382,923
61050 House Allowance	1,088,423,625	951,849,763
61060-1/1: Other Personal Allowances	294,581,895	309,442,630
61070 House to Office Allowance	404,706,155	462,990,632
61080 Passage, Baggage/Leave Allowance	22,179,351	17,631,711
	5,309,475,190	3,942,101,378
5(ii) ACADEMIC COSTS		
11000 Travelling and accomodation	21,748,817	38,219,402
11100 Field courses	10,559,400	19,905,423
13000 Entertainment	9,853,069	7,816,962
15000 Teaching materials	7,550,152	13,760,689
16100 Crockery and Utensils	45,368	128,529
17300 Library expenses	4,099,226	6,816,318
17400 Stationery and stores	6,377,892	9,971,216
17800 Short Courses	2,452,508	808,965
18500 computer	140,020	256,979.24
19000 Cleaning materials	673,149	1,468,999
19500 Attachment Expenses	9,859,372	7,705,876
19600 Research	6,604,834	8,680,206
61197 Research Programme	15,685,120	25,013,739
61283-01 Examination expenses	34,333,148	39,688,185
61002 Part time-departments	205,358,617	394,372,192
61001 Casual workers -Department	3,772,865	12,337,542
61301 Workstudy	76,100	292,075
13500 Deans and Senate Committee Expenses	463,728	127,244
	339,653,383	587,370,541

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

		2017/ 2018	2016/ 2017
		KSHS	KSHS
5(iii)	<u>ADMINISTRATIVE COSTS</u>		
110	Travelling and Accomodation	20,768,810	32,704,673
121	Telephone	-	8,000
130	Entertainment	11,983,312	24,496,055
160	Crockery and utensils	10,050	9,680
174	Purchase of stationery and stores	18,930,666	19,674,255
176	Foodstuff for patients	640,228	532,431
178	Short Courses	1,579,145	1,298,003
184	Connectivity	78,852	360,770
188	Linens	61,530	416,650
190	Cleaning materials	2,123,734	1,825,852
185	Computer expenses	46,653,507	12,130,550
61001	Casual Workers	-	16,607
80005	Juja Community	77,853	462,147
12500	UMB Expenses	403,166	252,919
		103,310,852	94,188,591
5(iv)	<u>CAMPUS RUNNING COSTS</u>		
02	Karen Campus	66,281,801	120,626,416
03	Westlands Campus	22,812,545	73,435,194
05	Nairobi CBD Campus	111,558,523	133,142,686
06	Mombasa CBD Campus	127,911,153	132,298,425
10	Kisii CBD Campus	93,729,923	95,056,302
11	Kitale CBD Campus	60,457,119	75,402,230
12	Nakuru CBD Campus	146,285,616	160,868,339
13	Arusha Campus	21,469,154	41,473,274
15	Kakamega Campus	24,524,005	66,305,870
16	Kisumu CBD	5,679,190	28,547,530
19	Kigali Campus	96,425,995	141,051,300
21	Keiyan Campus	3,898,757	4,761,257
22	KQ Pride Centre	2,933,130	8,626,919
23	Eldoret CBD Campus	73,959,646	72,174,710
		857,926,556	1,153,770,453
5(v)	<u>STUDENTS WELFARE</u>		
110	Travelling and accomodation	339,473	2,188,844
130	Entertainment	113,760	1,739,753
174	Stationery and stores	639,561	1,354,515
190	Cleaning materials	2,326,503	2,538,018
144	Gas and fuel	5,135,869	6,310,788
160	Food and rations	24,684,855	37,390,577
161	Crockery and utensils	5,800	811,187
61002	Part Time	1,340,850	977,900
221	Inter- university games	-	2,839,320
		34,586,671	56,150,902
5(vi)	<u>MAINTENANCE COSTS</u>		
61250-01	Maintenance of plant/mach/equip	6,007,313	14,366,791
61255-01	Repair & Maintenance of Furniture	803,265	3,561,727
61260-01	Maintenance of buildings	8,303,374	18,705,857
61270-01	Maintenance of water/sewerage	2,564,847	2,724,580
61280-01	Maintenance of roads/grounds	7,378,896	5,333,840
		25,057,694	44,692,795
5(vii)	<u>MISCELLANEOUS EXPENDITURE</u>		
61281	Show expenses	7,186,333	11,437,585
61282	Graduation expenses	36,130,623	44,385,433
61288	Kabiru-ini Demonstration	693,253	901,891
		44,010,209	56,724,909

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

		2017/ 2018	2016/ 2017
	<u>CENTRAL SERVICES</u>	<u>KSHS</u>	<u>KSHS</u>
5(viii) 61082	Industrial Training Levy	1,610,690	1,064,950
61134	JKUAT 20 years Celebration	1,735,000	685,750
61135	Public celebrations/funerals	8,411,842	8,878,109
61137	IPUCCF Expenses	317,600	140,562
61138	Foreign exchange difference	81,224	13,971
61139	Staff Fitness Welfare Expenses	190,000	-
61177	Recruitment Costs	200,000	-
61178	National Cohesion National Values	11,540	149,783
61179	Audit fees	3,480,000	3,480,000
61180	ISO expenses	2,186,763	1,161,598
61185	Subscription to Professional bodies	4,700,693	3,231,748
61187	Motor vehicle insurance	6,075,966	5,686,226
61192	Clearing & forwarding	9,505,271	21,211,982
61193	Fees commission & Honoraria Exp.	36,914,092	1,116,811
61195	Structured Cabling Systems Expenses	129,200	2,517,520
61198	Vice chancellors award expense	1,620,000	340,000
61200	NHIF Penalties Account	-	377,900
61202	NSSF Penalties Account	-	5,000
61203	HELB Penalties Account	-	320,265
61218	Insurance premiums	4,497,332	4,094,427
61285	Staff Bonus Expense	13,849,000	-
61295	Innovation & Technology	3,317,218	6,050,996
61305-01-565-568	Bid Bonds Commissions	2,225,589	14,059,212
61362	Depreciation charge	179,428,656	193,458,170
70013	Residential Fees	-	-
70022	Hire of Equipment	256,920	1,909,200
70052	Swimming Pool Charges	459,880	587,560
82282	IASTE Students Exchange	612,000	634,135
87032	East Africa Games 2016	15,337,498	
87046	Horticulture Production	50,390	97,360
87141	Chemistry Production Fund	1,248,443	930,540
87170	Kenyatta Road Beef Project	945,160	
87174	Sales: Extension Demonstration Farm	30,000	206,510
87175	Piggery Unit	1,434,675	853,969
87176	Cattle Unit	1,309,018	685,265
87395	Consultancy Services - SHRD	-	353,017
90001	Provision for Bad Debts	79,037,585	67,063,809
90011	Amortization of Audit software	-	692,284
12100-01	Telephone expenses	5,036,513	3,794,254
13000-01	Entertainment Expenses	-	30,000
14000-01	Electricity expenses	66,783,725	65,157,767
14500-01	Fuel for Generator	1,929,092	2,754,782
16100-01	Crockery and Utensils	95,299	989,178
17500-01	Advertising & Publicity	3,174,723	7,905,460
87032	East Africa Games 2016		
18400-01	Internet Connectivity	26,486,881	44,771,322
		484,715,476	467,461,392

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

5(viii) Cont'd

		2017/ 2018	2016/ 2017
	<u>CENTRAL SERVICES</u>	<u>KSHS</u>	<u>KSHS</u>
18500-01	Computer Charges	2,300,470	26,263
19000-01	Misc other charges	268,358	243,150
61091/92-01,09000-01	Medical Expenses	131,534,544	156,873,839
61100-01	Transport expenses	8,008,847	17,698,683
61112-01	External travelling	3,887,817	9,781,538
61120-01	Postal & telegrams expenses	3,111,895	4,124,506
61132-01	Conference & seminars	7,242,308	4,478,853
61153-01	Fungicides insecticides & Sprays	300,000	104,400
61171-01	Publishing & printing	13,011,939	12,698,256
61172-01	Purchase of Uniform & clothing	3,499,042	8,761,355
61181/2-01	Rent and Rates	249,340	3,395,580
61184-01	Contracted professional services	88,338,216	66,623,584
61186-01	Hire of transport & machinery		6,000
61191-01	Bank charges/interest	24,729,044	31,967,238
61194/96	Staff Training expenses	12,380,337	14,155,665
61290-01	Interest on KCB Letter of Credit		5,124,609
61291-01	Interest on KCB Loan	217,929,178	317,127,677
61294-01	Interest on loan - JKUAT Towers	224,959,837	238,993,781
61296-01	Intellectual Property	46,000	110,000
61298-01	Interest on loan - Motor Vehicles	2,634,496	4,166,991
61303-19	Interest on I&M Loan - Kigali Land	3,200,466	1,997,638
61304-19	Legal Fees on I&M Loan - Kigali Land	544,344	154,000
61367	Loss on Biological Assets	1,133,000	
61368	Obsolete stocks written off	6,377,493	
		1,240,402,448	1,366,074,997

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

		2017/ 2018	2016/ 2017
		KSHS	KSHS
5(ix)	<u>Council, Committee Expenses</u>		
	61131 Sitting Allowance	5,530,256	8,076,463
	61129 Chancellor's Expenses	1,950,613	2,387,601
	61127 Council Chairman's Honoraria	1,044,000	
	61128 Other Council Running Expenses	2,228,120	2,711,629
		<u>10,752,989</u>	<u>13,175,693</u>

6 FUNDS AND GRANTS

	Capital Fund Kshs.	Revaluation Reserve Kshs.	Accumulated Surplus Kshs.	TOTAL KSHS
Balance as at 30th June 2016	2,013,935,543	1,350,892,790	1,207,207,486	4,572,035,819
GoK Grant - Development	75,462,658			75,462,658
Donation - Keiyan, Lukuiyani Land	72,500,000	-		72,500,000
Surplus for the year			99,926,273	99,926,273
As at 30th June 2017	2,161,898,201	1,350,892,790	1,307,133,759	4,819,924,750
Balance as at 30th June 2017	2,161,898,201	1,350,892,790	1,307,133,759	4,819,924,750
GoK Grant - Development	13,650,000			13,650,000
Donation - ipic	44,749,496	-		44,749,496
Surplus for the year			(581,575,113)	(581,575,113)
As at 30th June 2018	2,220,297,697	1,350,892,790	725,558,646	4,296,749,133

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

7 (a)	<u>SPECIAL ACCOUNTS AND GRANTS</u>	<u>2017/ 2018</u>	<u>2016/ 2017</u>
	UNDP-Enterpreneurship	89,764	89,764
	Burnside Church Bursary Fund	7,065	7,065
	JICA-3rd Country Training (Elec)	5,779	5,779
	JKUAT/JACKSON Univ Projects	149,562	149,562
	JICA Research	1,309,235	1,309,235
	I.D.R.G. Research Grants	588,255	588,255
	CIVIL ENGINEERING PROD	1,628,296	1,628,296
	Dryland Sorghum & Millet Research	62,514	62,514
	DAAD Scholarship	8,416,529	7,889,585
	FAO Material (Research)	62,390	62,390
	Incountry training	-	233,788
	K.P.T.C/J.K.U.A.T Energy	1,962,516	1,962,516
	Simple Tel. Device	737,332	737,332
	Rehabilitation of Horticulture	99,740	99,740
	Agricultural Research Fund	187,237	187,237
	F.A.O. Project (Prof. Oniang'o)	617,095	617,095
	A.R.F - KARI Research Project	9,596	9,596
	Research Project Admin. Fund	1,806,010	1,806,010
	3rd Country Training Horticulture	27,000	16,000
	3rd Country Training- Civil Eng	4,980,915	4,980,915
	LVEMP Project	2,897	2,897
	Cassava Processing Project	43,853	43,853
	Biological Tick Control	22,483	22,483
	FAO Advocacy/Training Material	-	380,247
	WHO/Danish Bilhaziasis	15,456	15,456
	IEET VOUCHER PROJECT	6,413,603	6,413,603
	Rockefeller Project Prof Imbuga	81,446	81,446
	Ushepia workshop fund	266,756	266,756
	Pesticide free beans project	325,328	325,328
	Rockefeller Project Poverty Reduction	214,293	214,293
	NUFU Funds -Norway	4,411,172	4,411,172
	African vegetable Research project	5,572	5,572
	Computerization Fund	100,603	100,603
	CISCO	10,466,781	10,932,781
		45,117,073	45,659,163

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

7 (a) Cont'

SPECIAL ACCOUNTS AND GRANTS		2017/ 2018	2016/ 2017
DETAILS		KSHS	KSHS
82245	Rockefeller-DR. Keriko	4,095	4,095
82249	WAITRO	520,156	520,156
82254	Inter-University C.E.A Prof Boga	1,648,108	1,648,108
82255	IFS Grants	1,400,391	1,700,391
82259	HIV AIDS	1,013,690	1,013,690
82260	AICAD Research	958,697	1,548,697
82287	International Institute for Trop Agr (IITA)	103,245	103,245
82303	Roforum Project	179,673	242,843
82321	VANILLA PROJECT	374,080	374,080
82322	CHE RESEARCH PROJECT	1,213,043	1,213,043
82328	Engineering Information Foundation	446,833	446,833
82331	CFH Foundation Prof Anne Muigai	8,453	8,453
82338	Pyrethrum post harvest handling project-Dr Gachar	719,678	717,964
82342	GCHERA Conference Sponsorship	2,368,836	2,368,836
82354	GTZ-Drought tolerant project	519,717	519,717
82355	Rice Project-Prof.Kahangi	230,877	230,877
82356	Indigenous Vegetables	567,440	2,067,440
82359	Bio-Earn	3,906,649	4,450,187
82360	KAPP	109,192	109,192
82361	Kilimo Trust	102,015	102,015
82372	NCST	57,576,272	22,721,136
82374	AKTP- Dr. Waweru	651,366	651,366
82375	EEAI	202,600	215,000
82376	ASARECA	6,782,490	6,782,490
82378	IDRC - Prof Elijah Ateka	352,646	352,646
82379	Animal Health Information System	143,380	-
82382	KNBS	30,348,128	30,348,128
82385	Macaulay Institute	31,716	31,716
82388	Pennsylvannia State University	7,722	7,722
82389	Kaduna Project	4,762,685	5,175,434
82399	HIV Self Testing - Dr Kenneth Ngunjiri	3,212,419	4,610,294
82400	HORTINLEA -Local Coordination	352,532	352,532
82401	HORTINLEA - Sub Project 1 (Dr Wesonga)	66,575	48,549
82402	HORTINLEA - Sub Project 6 (Prof Mary Abukutsa)	61,008	96,317
82404	HORTINLEA - Sub Project 4 (Dr Wesonga)	209,994	187,543
82509	WaterCraft Project - Dr Kiplimo	1,550,390	1,586,150
82514	Kenya Coastal Devt. Project (KCDP) Research	127,575	127,575
82515	Northern Corridor Intergation Project (Dr. Kiimani)	13,023,145	42,453,688
82516	Ecosystem Services Project (PES) (Dr. Robert M)	969,772	
82568	BMGF	52,779	1,864,066
82569	ECOTACT	13,000	13,000
82570	HENNE project	841,476	841,476
82572	Bournemouth University	4,579	4,579
82573	RUFORUM	352,377	352,377
82574	CASARD Project	202,600	202,600
82575	Agribusiness Incubator Consortium	384,804	384,804
82576	Centre for Health Solutions	681,128	
82577	Sorgum KAPAP Project	86,061	86,061
82580	Thika Highway Scoping Study -Prof Zachary	268,000	268,000
82581	EA Universities Accession Project Kenet	36,874	36,874
82582	BEANS PROJECT-DR DANIEL SILA	3,761,064	11,942,989
82583	KAPAP MANGO PROJECT-KARI	1,188,780	358,780
82584	ILRI Project Esther Kahangi	17,375	17,375
82585	GLOWS Project-Hannah Ngugi	48,170	48,170
82586	ILRI Project Dr Daniel Sila	4,632	4,632
82587	Baylor Project-Dr Mutwiwa	780,400	780,400
82588	Storerooms Project Dr Stephen Kimani	2,059,398	2,059,398
82589	Bill and Melinda Gates Dr Amos Alakonya	863	863
82590	Climate Change Impacts-Mark Boit	7,632	7,632
82591	Computer Science for High Schools	10,000	10,000
82592	JKUAT Institutional Respository	267	267
82593	Fish Farming	72,866	72,866
82595	Coconut Project - Dr Nyende	77,978	201,128
82596	Ruforum -Dr John Bosco	543,475	543,475
82600	DVL PLANT ANGRO-Prof Wariara Kariuki	12,663	12,663
		148,336,523	155,252,623

7 (a) Cont'	<u>SPECIAL ACCOUNTS AND GRANTS</u>	<u>2017/2018</u>	<u>2016/2017</u>
	<u>DETAILS</u>	<u>KSHS</u>	<u>KSHS</u>
82603	Triple - L. West Pokot - Dr Peter Mwangi	211,541	211,541
82604	SOLAMACEAE GEMOMICS - Dr Willis Owino	219,535	889,535
82605	Insurance Regulatory Authority - Dr Willy Muturi	312,848	312,848
82606	KUAT - KAPAP Training Curriculum - Nyori Mbugua	293,600	293,600
82607	Renewable Energy for Food -Prof C. Kanali	918,157	1,127,731
82608	GREENINSECT (DANIDA) -Dr Kinyuuru	52,800	3,094,629
82609	Tropical Sweet Potato (ICGEB) - Dr S. Anami	1,154	1,154
82610	Tsavo Project (WWF - EN) - Prof B. Mati	300,050	300,050
82611	Pasufons - Prof Ngamau	-	1,223,065
82612	ELEFANS - Prof. A. Makokha	38,358	23,150
82613	JENGA - Dr. Stephen Diang'a	2,299,384	2,299,384
82614	LIANE - Dr Stephen Diang'a	1,466,523	1,466,523
82615	METEGA - Dr Hiram Ndiritu	7,431,151	5,227,741
82617	HORTINLEA Sub Project 13 -Prof Losenge	70,065	70,065
82618	Postharvest Studies of Tomato - Dr Willis Owino	8,479	8,479
82620	Online Networking Platform - FED/2013/335-687	855,162	1,537,703
82621	SRI Labour Assessment Project - Prof Bancy Mati	125	125
82622	Student for Development Project - Pamela Owour	5,021,929	2,038,379
82623	PPFP Project - Dr Kenneth Nguni	107,308	407,308
82624	Bayer EA Efficacy Project - Dr Lusonge Turoop	18,000	18,000
82625-565	JKUAT - REHAU Biogas Project - NITP	578,118	627,588
82626	HORTINLEA Sub Project 5 - Prof Glaston Kenji	197,359	197,359
82627	JKUAT -Philips Insect Project (Dr John Kinyuru)	100	100
82629	HORTINLEA - (SP4 Dr. R. Kasili)	93	21,482
82630	Careg Toxoplasmosis - Prof Naomi Maina	6,100	6,100
82631	Dupont/Danisco - Dr Daniel Sila	727,654	1,627,654
82633	Bee Diversity in Amboseli National Park - Prof Mary Gikungu	586,637	586,637
82634	Fruiting Africa - Dr Willis Owino	154,197	154,197
82636	Kenyan-German Centre for Data Analysis-DAAD Funded(P. C	1,541,427	806,629
82637	RUFORUM-Sorghum Chicken Feed - Dr Willis Owino	94,917	1,034,917
82638	RUFORUM-ECOVEG - Dr Lucy Kananu Murungi	132,269	292,269
82639	AFF Climate Change Project (Prof John Bosco Njoroge)	130,566	130,566
82640	Schlumberger Shifting Foundation (Prof. Wesonga)	19,500	19,500
82642	Improving Care to HIV Infected Adolescents - Dr. Mburugu	513,797	855,297
82643	BioStatistics - VLIR-UOS	673,587	279,016
82644	VICINAQUA Project - Prof Kahangi/Prof Kinyua	5,665,949	1,687,114
82645	BAOFOOD Project (Prof.W.O. Owino)	2,285,689	665,369
82646	Grasshoppers Project - Dr John Kinyuru	2,599,661	30,047
82647	UN Women - Dr Sila	5,592,440	335,000
82648	Food Fortification - Dr Sila	83,875,173	109,872,661
82649	Cassava (FAO)- Prof Ateka	347,889	75,191
82650	IMO-EU Project on Climate Mitigation- Dr. Kiplimo	11,422,659	12,258,068
82651	3R Aid to Trade Kenya Project - Prof Wesonga	1,377,853	1,353,987
82652	Upper Tana Nairobi Water Fund	3,847,145	4,720,000
82000	Research and Projects Grants (Unidentified Credits)	16,263,139	18,366,830
82653	University Research Chair-NACOSTD)- Prof. Ikua	11,631,531	
82654	KEROCHIE Foundation-Hakikisha Project-Prof A. Onyau	700,000	
82655	National Research Fund - PhD and Masters	36,667,818	
82656	Nairobi Urban Food Systems Project - FAO (Robert Mbe	684,225	
82657	Block Chain Technology Dr. Mindila	5,100,075	
82658	FAO Food Systems (SNA) Project	34,200	
82659	Mining, Materials & Petroleum Eng. Research - Prof. Roi	44,501	
82660	Microbial Culture Collection Project, Prof. Nyende	7,719,360	
82663	BioInnovate Sweet Potato - Prof Ateka	210,152	
82664	BioInnovate-Refractance Window Technology- Prof Ony	6,743,568	
82665	HyCRISTAL Project - Dr Felix Mutua	795,025	
82667	INNO Food Project - Prof. Daniel Sila	90,198	
82668	Smart Harvest Project	1,300,000	
82669	ICT Research Fellowship - Calvins Otieno	1,832,155	
82670	Evaluation of Bio-Fumigants - Dr Lucy Kananu	1,194,000	
82671	Genomic Analysis - Prof Fred Wamunyokoli	1,583,032	
82673	SAJOREC Research (Wuhan Botanical Garden), Prof G	1,512,433	
82676	NANCY WELSH FOUNDATION	349,667	
		236,452,026	176,554,586
		429,905,622	377,466,373

Special accounts and grants relates to funds received by the University for specific research projects undertaken by researchers

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30TH JUNE 2018

Note 8

	PROPERTY, PLANT AND EQUIPMENT							TOTAL
	WORK IN PROGRESS	LAND	BUILDINGS	COMPUTER & EQUIPMENT	FURNITURE & FITTINGS	PLANT & MACHINERY	MOTOR VEHICLES	
Rates				2%	30%	10%	10%	20%
COST/VALUATION								
As at 01.07.2017	989,204,759	4,192,675,031	3,972,083,276	685,582,045	252,888,462	430,021,700	234,626,704.82	10,757,061,978
Additions in the year	114,352,776	-	-	23,532,502	7,396,960	-	-	145,282,238
Transfers	(323,931,016)	-	323,931,016	-	-	-	-	-
As at 30.06.2018	779,626,519	4,192,675,031	4,296,014,292	709,114,547	260,285,422	430,021,700	234,626,704.82	10,902,364,216
DEPRECIATION								
Accumulated at 01.07.2017	-	-	381,860,186	536,497,935	115,652,445	244,626,074	152,838,056.00	1,431,474,696
Charge for the period 30.06.2018	-	-	78,283,082	51,784,984	14,463,298	18,539,563	16,357,730	179,428,656
Accumulated as at 30.06.2018	-	-	460,143,268	588,282,919	130,115,743	263,165,637	169,195,786	1,610,903,352
NBV(30.06.2018)	779,626,519	4,192,675,031	3,835,871,024	120,831,629	130,169,679	166,856,063	65,430,919	9,291,460,864
NBV(30.06.2017)	989,204,759	4,192,675,031	3,590,223,090	149,084,110	137,236,017	185,395,626	81,788,649	9,325,607,282

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30TH JUNE 2017

Note 8

	PROPERTY, PLANT AND EQUIPMENT							TOTAL
	WORK IN PROGRESS	LAND	BUILDINGS	COMPUTER & EQUIPMENT	FURNITURE & FITTINGS	PLANT & MACHINERY	MOTOR VEHICLES	
Rates				2%	30%	10%	10%	20%
COST/VALUATION								
As at 01.07.2016	882,867,377	4,120,175,031	3,972,083,276	659,117,210	242,231,468	430,021,700	212,931,615	10,519,427,677
Additions in the year	178,837,382	-	-	26,464,835	10,656,994	-	21,695,089	237,654,301
Transfers	(72,500,000)	72,500,000	-	-	-	-	-	-
As at 30.06.2017	989,204,759	4,192,675,031	3,972,083,276	685,582,045	252,888,462	430,021,700	234,626,705	10,757,081,978
DEPRECIATION								
Accumulated at 01.07.2016	-	-	308,590,327	472,604,745	100,404,010	224,026,561	132,390,893	1,238,016,535
Charge for the period 30.06.2017	-	-	73,269,859	63,893,190	15,248,445	20,599,514	20,447,162	193,458,170
Accumulated as at 30.06.2017	-	-	381,860,186	536,497,935	115,652,455	244,626,074	152,838,056	1,431,474,706
NBV(30.06.2017)	989,204,759	4,192,675,031	3,590,223,090	149,084,110	137,236,007	185,395,626	81,788,649	9,325,607,272
NBV(30.06.2016)	882,867,377	4,120,175,031	3,663,492,949	186,512,465	141,827,458	205,995,139	80,540,722	9,281,411,142

8 Cont'd				
WORK IN PROGRESS AS AT 30.06.2018				
DETAILS	BAL B/F	ADDITIONS	TRANSFERS	BALANCE
Lecture Halls	26,242,620	-	(26,242,620.00)	-
Construction of BTC Lab -Main Campus	398,660	-	(398,660.00)	-
Construction of Karen library extension	7,901,965	-	(7,901,965.00)	-
Science Complex	265,776,867	2,696,227	-	268,473,094
Ace Building-Karen	28,310,425	2,370,201	-	30,680,626
Main Gate	24,361,525	-	(24,361,525.00)	-
Main Gate-Nairobi Campus	12,236,166	-	(12,236,166.00)	-
Extension of Admin block	215,686,880	-	(96,234,782.00)	215,686,880
Swimming Pool	96,234,782	-	(11,594,786.00)	-
NSC-Hosp Road	11,594,786	-	(37,660,819.00)	-
Industrial & Tech PA	37,660,819	-	(632,062.00)	-
Construction of Lab-Nairobi Campus	632,062	-	-	632,062
Construction of Jkuat Boundary Wall	50,698,799	-	-	50,698,799
Construction of Prefabs	7,648,875	-	(7,648,875.00)	-
Beautification Project	22,595,812	-	(22,595,812.00)	-
BEED-Hall 7 Road	21,565,157	-	(21,565,157.00)	-
Construction of Classroom-Jkuat	13,180,736	-	(5,546,870.00)	13,180,736
Procurement Stores	5,546,870	-	(1,476,790.00)	-
Renovation of Kicilem-Westlands	1,476,790	-	-	1,476,790
Construction of New Common Lee Building	136,369,532	63,523,586	-	199,893,118
Refurbishment of Engineering W/ship	3,067,631	-	(3,067,631)	-
IPC building	-	44,749,496	(44,749,496)	-
Water bottling plant	-	1,013,266	-	1,013,266
TOTAL	989,204,759	114,352,776	(323,531,016)	779,626,519

WORK IN PROGRESS AS AT 30.06.2017				
DETAILS	BAL B/F	ADDITIONS	TRANSFERS	BALANCE
Lecture Halls	26,242,620	-	-	26,242,620
Construction of BTC Lab -Main Campus	398,660	-	-	398,660
Construction of Karen library extension	7,901,965	-	-	7,901,965
Science Complex	252,642,286	13,134,581	-	265,776,867
Ace Building-Karen	22,720,509	5,589,916	-	28,310,425
Main Gate	24,361,525	-	-	24,361,525
Main Gate-Nairobi Campus	12,236,166	-	-	12,236,166
Extension of Admin block	215,686,880	-	-	215,686,880
Swimming Pool	96,234,782	-	-	96,234,782
NSC-Hosp Road	11,594,786	-	-	11,594,786
Industrial & Tech PA	37,660,819	-	-	37,660,819
Construction of Lab-Nairobi Campus	632,062	-	-	632,062
Construction of Jkuat Boundary Wall	50,698,799	-	-	50,698,799
Construction of Prefabs	7,648,875	-	-	7,648,875
Beautification Project	21,939,683	636,129	-	22,595,812
BEED-Hall 7 Road	21,565,157	-	-	21,565,157
Construction of Classroom-Jkuat	13,180,736	-	-	13,180,736
Procurement Stores	5,546,870	-	-	5,546,870
Renovation of Kicilem-Westlands	1,476,790	-	-	1,476,790
Construction of New Common Lee Building	49,412,776	86,956,756	-	136,369,532
Refurbishment of Engineering W/ship	3,067,631	-	-	3,067,631
Keiyan Land	-	30,000,000	-	30,000,000
Kakamega Land	-	42,500,000	-	42,500,000
TOTAL	882,867,377	178,837,382	(72,500,000)	989,204,759

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2017

9		INVENTORIES	2017/ 2018	2016/ 2017
		KSHS	KSHS	
50025	Central Stores	12,087,184.14	21,403,526.00	
50027	Drug Store	4,046,563.89	3,753,504.00	
50029	Petrol pump	306,253.40	1,511,000.00	
50030	Catering Store	945,317.98	2,346,484.00	
50031	Taifa Laptop Store	36,258,852.00	141,871,884.00	
50085	Bookshop Main Store	6,075,698.75	6,744,842.00	
50194-01	Bookshop Shopfloor	2,060,967.65	2,097,099.00	
50194-02	Karen Campus - Main store	10,326,083.34	11,085,989.00	
	TOTAL	72,106,921.15	190,814,328.00	
10		TRADE AND OTHER RECEIVABLES		
		Receivables from Exchange Transactions		
80022	Pension Scheme	-	772,327.20	
80053	Versity Loan MOE	-	15,820.20	
80065	H.F.C.K house loans	-	5,016.00	
80070	NHC- Houseloan	10,085.00	10,085.00	
80073	Staff Car Loan	115,406.35	-	
80074	N.B.K. Car loans Defaulters	1,279,400.00	1,279,400.00	
80079	Staff Housing Mortgage Scheme	1,093,546.00	1,093,546.00	
80114	Staff Housing Co-op	2,678,109.00	2,678,109.00	
80146	Pledges	400.00	1,900.00	
80186	University bonus share	95,487.00	95,488.00	
80261	Staff Loan Repayment - NBK Bank	1,300,502.00	1,300,503.00	
80339	Equity Loan	0.00	67,714.40	
80351	JKUAT Benevolent Fund	2,471,468.00	1,950,715.00	
82090	3rd Country Training (A) (FT)	336,265.90	336,265.90	
82134	Incountry Training	179,724.46	-	
82137	Banana Project	1,668,254.50	1,668,254.50	
82140	K.P.T.C/J.K.U.A.T Transm.	680,451.95	680,451.95	
82159	Walking Tractor Project	1,096,009.21	1,096,009.21	
82165	Banana Tissue culture	602,050.10	602,050.10	
82208	FAO	34,524.00	-	
82212	Botany/Craft Agroforestry Project	474,614.00	474,614.00	
82213	AICAD	3,459,107.50	3,459,107.50	
82216	Rockefeller Project Prof Kahangi	40,558.00	40,558.00	
82231	American Chemical Society	109,716.95	109,716.95	
82232	UNESCO Chair biotechnology	2,960.00	2,960.00	
82235	ISOTOPIC NUCLEAR TECHNIQUES	233,449.00	233,449.00	
82268	JKUAT World Bank Fund	1,012,635.00	1,012,635.00	
82283	SABS Project Office	1,499,649.00	1,499,649.00	
82308	AVOIR	381,265.15	381,265.15	
82319	Pathfinder Project Itromid	146,706.00	146,706.00	
82320	ICAP COLUMBIA PROJECT INTROMID	272,456.34	272,456.34	
82324	Florida University project	44,682.00	44,682.00	
82353	Sweet Potato Project	27,276.00	27,276.00	
82369	FARA	98,020.40	98,020.40	
82373	KMFRI Solar Tunnels	208,670.80	208,670.80	
82379	Animal Health Information System	-	96,619.65	
82384	Farmer Voice Radio	288,699.70	288,699.70	
82394	Association of African Universities Research	42,469.20	42,469.20	
82396	JKUAT-SRISTI-USAID Project	1,321,694.45	1,352,079.00	
82398	Applied Geoinformatics for Science	497,630.00	497,630.00	
82403	HORTINLEA - Sub Project 2 (Prof Loseng)	600,424.40	781,420.60	
82571	Biogas for fuel Project	1,150,275.40	1,150,275.40	
82576	Centre for Health Solutions	-	1,290,211.40	
82578	ANAFE Agribusiness Project	110,898.00	110,899.00	
82597	Jkuat - UNAM Video Conf. Project	960,826.00	960,827.00	
82611	Pasufons - Prof Ngamau	137,536.20	-	
82619	Hortinlea SP5 Dr Wesonga/Prof Z. Nganga	1,308,533.21	1,308,533.21	
82628	DIES Training - JM Wesonga	100,652.01	588.01	
82632	AERC - Dr Sila	2,128.50	2,128.50	
82641	Training for Women Enterprise Fund	77,199.05	77,199.05	
85024	Dept Petty Cash	-	57,115.00	
85888	Imprest Control	4,747,204.65	11,227,387.45	
86008	Sundry Debtors	218,380,442.90	203,338,165.13	
86009	Staff Benefits Debtor's Account	34,628,213.00	37,307,442.40	
86010	Student debtors	2,377,410,865.20	2,123,773,510.32	
86013	Prepayments	22,797,127.40	-	
86052	Christian Union	86,600.00	86,600.00	
86064	Guarantee Deposits	29,296,069.00	30,499,479.00	
86221	Kenet Trust Fund	1,458,775.70	1,458,775.70	
86277	JKUAT Enterprises	6,511,908.00	6,501,798.00	
86337	Kimathi Institute	3,565,695.90	3,565,695.90	
86338	Multimedia University	67,760.00	67,760.00	
88110	J.K.U.S.O	74,356,744.75	66,512,505.25	
86701	Accrued Interest receivable	33,010.30	-	
	SUB-TOTAL	2,801,592,833.03	2,514,021,235.00	
	LESS			
90001	Provision for bad debts	280,159,283.30	201,121,698.48	
	TOTAL	2,521,433,547.73	2,312,899,536.00	

JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

11(a)	CODE		2017/2018	2016/2017
			KSHS	KSHS
		CASH AND BANK BALANCES		
	80033	KCB Fixed Deposit	11,324,035	10,597,245
	84034	3rd Country Training Horticulture	369,800	1,830,880
	84037	Cash in Hand - MPESA Paybill Number 951200	-	22,000
	84093	JKUAT Architecture Horizons DAT A/C (KCB)	58,976	62,881
	84095	Bank A/C 3rd Country Training (E & E Eng.)	87,916	1,591,931
	84097	Bank A/C 3rd Country Training (Food Science)	56,413	-
	84189	Bank A/C (KCB) Payroll	1,499,600	-
	84190	Bank A/C(KCB) AICAD	1,352,936	259,714
	84191	BANK A/C(KCB) Taifa Laptop	-	258,875
	84225	Standard Chartered Bank- Student fees	1,882,980	-
	84227	KCB - Incountry Training	368,381	-
	84240	NBK - CISCO Ruiru	1,317,620	515,580
	84244	KCB - JKUAT IT	133,260	79,362
	84265	KCB -Bank A/C CoHES	711,081	335,965
	84270	KCB - SABS	5,052	105,424
	84302	NBK Student Bursary	17,339	18,494
	84304	Standard Chartered Bank A/C Karen Campus	1,262,960	1,056,553
	84312	KCB JKUAT Babaroa	320,254	324,159
	84330	KCB JKUAT Staff Housing Devt. Bank A/C	192,212	196,117
	84331	KCB Dollar A/C	9,685,252	362,521
	84336	Cooperative Bank -Fees A/c	-	2,406,224
	84343	NBK Fees A/C	2,127,106	1,008,005
	84350	BBK Students Fees Bank A/c	-	4,810,343
	84351	KCB SAJOREC	2,238,018	253,550
	84352-05	KCB Nairobi CBD Bank A/c	1,078,911	454,738
	84357	KCB Karen Campus Bank A/C.	1,912,838	-
	84376	BBK Nairobi CBD Bank account	-	746,252
	84382	JKUAT Industrial & Tech Park Bank A/C (KCB)	5,714,698	45,000
	84384	JKUAT Endowment Fund Bank A/C	198,416	66,421
	84385	Fundilima FOSA Bank Account	-	2,884,456
	84386	BBK Engineering bank Account	-	441,273
	84388	KCB Arusha Bank A/c	1,607,382	3,214,679
	84389	KCB EURO A/c	60,588,266	97,849,785
	84391	COOP Bank IGU A/C	1,497,210	3,283,348
	84392	Cooperative Bank - Kitale/Eldoret Campus A/c	-	-
	84393	Ecobank	376,562	388,662
	84395	Cooperative Bank - Kisii Campus A/c	1,275,878	-
	84396	KCB Kigali Bank A/c	4,046,784	230,680
	84399-19	I & M Kigali Bank A/c	13,753	-
		TOTAL	113,321,890	135,701,116
11(b)		BANK OVERDRAFT		
	84163	KCB Main Bank A/c	264,138,672	269,765,125
	84172	Bank A/C (KCB) Project Current Account	7,238,092	3,495,589
	84189	Bank A/C (KCB) Payroll	-	41,835,584
	84191	BANK A/C(KCB) Taifa Laptop	291,272	-
	84192	KCB SoDEL Bank A/C	17,660,011	17,950,927
	84193	KCB Mombasa CBD A/c	8,971,724	11,182,150
	84199	KCB ADP Bank A/c	24,740,640	44,537,723
	84225	Standard bank-student fees	-	13,775,071
	84227	KCB - Incountry Training	-	83,216
	84335	Equity Fees A/C	13,041,181	3,266,676
	84336	Cooperative-Fees Account	4,340,549	-
	84350	BBK Students Fees Bank A/c	16,000,097	-
	84355	KCB Westlands Campus Bank A/c	3,686,480	2,707,487
	84357	KCB Karen Campus Bank A/C.	-	10,652,796
	84376	BBK Nairobi CBD Bank A/c	11,190,031	-
	84381	BBK SHRD Bank A/c	2,130,000	5,370,489
	84385	Fundilima FOSA	1,628,488	-
	84386	BBK COETEC Bank A/C	1,667,167	-
	84387	BBK Faculty of Agriculture Bank A/c	103,460	258,314
	84392	Cooperative Bank - Kitale/Eldoret Campus A/c	2,654,612	-
	84394	NBK Main A/c	17,221,484	5,743,279
	84396	KCB Kigali Bank A/c	-	-
	84398-15	Equity Kakamega A/c	6,318,328	4,406,592
	84395-10	Cooperative Bank Kisii Campus	-	3,504,831
	84399-19	I & M Kigali Bank A/c	-	69,367
		TOTAL	403,022,287	438,605,214

TRADE AND OTHER PAYABLES

		2017/ 2018	2016/ 2017
		KSHS	KSHS
80009	Imprest recoveries	2,514,830	1,748,677
80013	Miscellaneous Deduction	878,082	878,082
80040-01	Students activity fund	11,328,459	4,903,274
88056	Deposit in Transits	6,952,466	6,652,466
88069	Alumni Association	5,788,051	6,306,301
80076	K.N.A. Loans	546	546
80080	Insurance Claims	34,464,789	20,498,189
80096	Pension Scheme Refunds	788,629	788,629
88161/2	Sundry Creditors	3,320,022,878	2,630,819,226
80291	Barclays Bank-loan repayment	0	81,141
80334	Cooperative loan Githurai	-	7,649
88064-05	Customer Rent deposits- JKUAT Towers (31,638,782	31,638,782
88399	JKUAT Wanachuo Investments	22,952,745	22,952,745
90020	Provision for Leave Pay	26,180,918	26,180,918
		3,463,511,176	2,753,886,626

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

13. INVESTMENTS

Investment in JKUAT Entreprise	2017/ 2018	2016/ 2017
Balance (Kshs)	25,644,004	25,644,004

JKUAT Enterprises is a wholly owed Company of JKUAT. The University put an initial capital investment up to Kshs.25.6 million.

Investment in Nissin Holdings	2017/ 2018	2016/ 2017
Balance (Kshs)	150,000,000	150,000,000

Nissin Holdings is 100% owned by JKUAT.

14. BANK LOAN

	2017/ 2018	2016/ 2017
a) Current liability	159,221,143	382,454,980
b) Longterm liability	3,430,117,866	3,374,564,944
Total loan	3,589,339,009	3,757,019,923

The University has the above long term loans borrowed from Kenya Commercial Bank and from I & M Bank, Kigali as follows;

- KCB loan of Kshs.2.5B at 14% for a period of 10 years
- KCB loan of Kshs.1.89B at 16% for a period of 11 years
- I & M Rwanda loan of Kshs.6.8M at 14% for a period of 3 years

15. BIOLOGICAL ASSETS


	2017/ 2018	2016/ 2017
Balance (Kshs)	8,560,000	6,236,632


Biological Assets in the university are valued on the basis of prevailing market rate less costs to sell as at the closure of the financial year

I. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
JKUAT/105/2016-2017/(2)	<p>1) Going concern: The current liabilities of Kshs.3,952,413,193 exceeded current assets of Kshs.2,639,414,979 in FY2016/2017 rendering the University technically insolvent.</p>	<ul style="list-style-type: none"> The university has continued to appeal for enhanced government funding and implementation of differentiated cost unit for the highly technical courses offered. The University has also sought and received concurrent from Ministry of Education and National Treasury to dispose off a fixed asset in order to offset some of the liabilities. 	<ul style="list-style-type: none"> Ministry of Education University management 	Ongoing	<ul style="list-style-type: none"> Budget Allocation in FY2017/2018 and 2019/2020 Procurement process in FY2018/19-2019/20
JKUAT/105/2016-2017/(2)	<p>2) Trade and other Receivables Seemingly inadequate provision of Kshs.201, 121,699 of long standing debts.</p>	<ul style="list-style-type: none"> The receivables are made up of student fees debtors. Management has instituted measures to ensure all students pay fees and complete the programmes in the stated period. 	<ul style="list-style-type: none"> Registrar Academic Finance Officer 	Ongoing	<ul style="list-style-type: none"> Verification and aging analysis of student fee debtors in FY2018/19
JKUAT/105/2016-2017/(2)	<p>3) Unconfirmed Cash and Bank Balances Analysis of cash and bank balances of Kshs 65,042,411</p>	<ul style="list-style-type: none"> The adjustments to the bank balances were as a result of reconciliations agreed upon during audit exercise. Supporting analysis was submitted for audit verification. 	<ul style="list-style-type: none"> Finance Officer 	Resolved	<ul style="list-style-type: none"> Resubmitted in FY2017/2018

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PROF. VICTORIA WAMBUI NGUMI, Ph.D.
VICE CHANCELLOR

.....

PROF. PAUL KANYARI NJUKI
CHAIRMAN OF THE UNIVERSITY COUNCIL

Annual Report and Financial Statements for the year ended 30 June 2018

The University has the following long term loans borrowed from Kenya Commercial Bank and from I & M Bank, Kigali as follows;

Date	JKUAT TOWERS (ICEA) (AA16226JHPQP)		KENYATTA RD 1 & 2 (AA16226CGQ00)		MOTOR VEHICLE 1 (SALOON CARS)		MOTOR VEHICLE 2 (BUSES)		MOTOR VEHICLE 3 (PRADO)		KIGALI	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Balance	1,721,529,833		2,001,781,834		5,353,328		9,580,326		10,314,831		8,459,772	
30.06.2017												
Jul-17			3,383,641	17,561,197	-	-	241,395	111,553	-	-	-	-
Aug-17			11,452,732.44	16,920,279	316,086	124,179	240,547	112,402	436,395	239,975	-	-
Sep-17			13,520,299	17,238,799	159,877	59,895	243,407	19,541	220,171	117,459	8,459,772	1,113,163
Oct-17			14,231,966	16,527,133	163,649	56,123	246,302	106,647	226,494	111,136	-	324,511
Nov-17			8,580,683	1,587,336	-	-	252,576	100,373	-	-	-	6,915
Dec-17		37,750,496	13,850,285	15,494,110	163,724	56,337	255,482	97,466	225,482	112,592	-	-
Jan-18		58,703,489	15,112,574	33,078,433	167,416	52,934	255,271	100,462	231,695	106,823	-	-
Feb-18		31,997,648	18,476,371	16,509,910	167,661	53,411	258,307	94,642	230,918	108,710	-	160,000.00
Mar-18		31,997,648	9,510,935	922,873	172,888	48,907	270,240	82,709	240,372	100,366	-	352,261
Apr-18		22,334,821	16,098,251	36,089,685	173,261	47,667	-	-	-	-	-	-
May-18		17,563,414	23,858,266	28,845,232	174,300	45,896	261,741	95,090	238,627	97,773	-	-
Jun-18		-	4,635,197.02	16,922,644	-	-	275,568	83,426	-	-	-	-
TOTAL	-	200,347,515	152,711,201.08	217,697,632	1,658,860	545,349	2,800,927	1,004,313	2,050,154	994,834		1,956,850

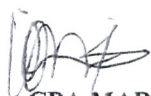
APPENDIX 2: INTER-ENTITY TRANSFERS

JOMO KENYATTA UNIVERSITY OF AGRICULTURE & TECHNOLOGY


Breakdown of Transfers from the Ministry of Education Financial Year 2017/2018

A	Recurrent Grants	Bank Statement Date	Amount (Kshs)	FY to which the amounts relate
		01.08.2017	145,650,420	2017/2018
		04.09.2017	145,650,420	2017/2018
		03.10.2017	145,650,420	2017/2018
		03.11.2017	145,650,420	2017/2018
		01.12.2017	145,650,420	2017/2018
		31.12.2017	181,737,929.1	2017/2018
		02.01.2018	181,998,006	2017/2018
		08.02.2018	181,998,006	2017/2018
		13.03.2018	181,998,006	2017/2018
		06.04.2018	181,998,006	2017/2018
		02.05.2018	145,650,420	2017/2018
		10.05.2018	36,347,586	2017/2018
		11.06.2018	145,650,420	2017/2018
		14.06.2018	36,347,586	2017/2018
		28.06.2018	181,998,006	2017/2018
		TOTAL	2,183,976,069.10	
B	Development Grants			
		25.06.2018	13,650,000	2017/2018
C	Refund- CBA Arrears			
		19.07.2017	450,812,721.50	CBA ARREARS
		03.07.2017	411,986,745.50	CBA ARREARS
		TOTAL	862,799,467.00	CBA ARREARS

The above amounts have been communicated to and reconciled with the Ministry of Education.



CPA MARY NGUGI
AG. FINANCE OFFICER
JKUAT



MR. ROBERT ASUMANI SAMUEL
ASSISTANT ACCOUNTANT GENERAL
STATE DEPT. FOR UNIVERSITY EDUCATION