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REPORT OF
THE
AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
MASENO UNIVERSITY FOR THE YEAR
ENDED 30 JUNE 2011







Maseno University

KENYA NATIONAL AUDIT OFFICE
P. O. Box 30084 - 00100, NAIROBI.

07 MAY 2012

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ANNUAL REPORT

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FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30th JUNE, 2011

MASENO UNIVERSITY

FINAL ACCOUNTS - 2010/2011

<u>CONTENTS</u>	<u>PAGE</u>
GENERAL INFORMATION	1
MISSION STATEMENT	2
MEMBERS OF THE COUNCIL	3
OFFICERS OF THE UNIVERSITY	4
COUNCIL MEMBERS RESPONSILITIES	7
STATEMENT OF COMPREHENSIVE INCOME	8
STATEMENT OF FINANCIAL POSITION	9
STATEMENT OF CASH FLOWS	10
STATEMENT OF CHANGE IN CAPITAL FUND AND RESERVES	11
NOTES TO THE ACCOUNTS	12-33

GENERAL INFORMATION

1. **OWNERSHIP AND STRUCTURE**

The Institution is 100% owned by the Government of Kenya

Ministry of Higher Education, Science & Technology being the Parent Ministry

2. **ADDRESS**

Maseno University

Head Office - College Campus on Kisumu-Busia Road

Private Bag

MASENO

Tel: 057-351622

Fax: 057-351221

3. **BANKERS**

Kenya Commercial Bank

KISUMU

Standard Chartered Bank

KISUMU.

Co-operative Bank

KISUMU

National Bank of Kenya

Kisumu Branch

Equity Bank

Luanda Branch

4. **AUDITORS**

Auditor-General

Anniversary Towers

P O Box 30084-00100

NAIROBI

VISION STATEMENT

The University of Excellence in discovery and dissemination of knowledge.

MISSION STATEMENT

To discover, harness, apply, disseminate and preserve knowledge for the good of humanity

OBJECTIVES

- To provide directly, or in collaboration with other institutions of higher learning, facilities for University education and research including technological, scientific and professional fields and research.
- To participate in the discovery, transmission, preservation and enhancement of knowledge and to stimulate the intellectual participation of students and staff in the economic, social, cultural, scientific and technological development of Kenya and globally.
- To harness acquired knowledge of the natural, applied and social sciences to manage the environment and to conserve biodiversity.
- To conduct examination for and to grant such academic awards as may be, from time to time, provided for in the statutes
- To determine who may teach, what may be taught and how it may be taught in the University
- To play an effective role in the development and expansion of opportunities for the University Education.

CORE VALUES

Maseno University seeks to uphold the following values: “REEQI”

- **Relevance:** The University is committed to ensuring relevance in its programmes and activities.
- **Excellence:** Excellence shall be targeted in outputs of the university
- **Equity:** The University shall ensure that there is equity in all the opportunities within its jurisdiction.
- **Quality:** All outputs and processes of the University shall ensure that quality is maintained.
- **Integrity:** The University shall ensure integrity in all their undertaking.

MASENO UNIVERSITY
Annual Report for the year 2010/2011

• **MEMBERS OF MASENO UNIVERSITY COUNCIL**

CHAIRMAN	Prof. Japhet Chesire Kiptoon, BVsc(UoN), Msc(Michigan), Ph.D(UoN)
VICE CHAIRMAN	Mr. Daniel Shem Omino, Bsc(UoN), MBA(Maastricht)
HON. TREASURER.	Mrs Gladys N Taraiya ,Dip.Law (Kenya School of Law). LLB Hons(UoN).
VICE CHANCELLOR	Prof. Dominic Makawiti, S1(KSTC), BSc(UoN),Ph.D. (London), EBS, MIBiol, HSC, MKNAS.
MEMBER	Amb.Prof. David A.K.Kikaya, BA(UoN), MA(Bradford) Ph.D(Bradford).
MEMBER	Eng. John Kisenga, Bsc(UoN),Msc(Loughborough)
MEMBER	Dr. Reuben Indiatsi Nasibi. Ph.D.
MEMBER	Mr. Don Remmy Ogalo Riaroh, Bsc(UoN) Msc(Leicester).
MEMBER	Ida Odinga, BA(Hons)(UoN)
MEMBER	Dr.Dekha Sheikh, Bsc(UoN), Msc(Clemson),Ph.D(Misseri)
PS-MIN. OF EDUCATION	Representative
PS-MIN. OF FINANCE	Representative
PS-MIN OF ROADS & PUBLIC WORKS	Representative
PS-MIN OF STATE FOR PUBLIC SERVICE	Representative
SECRETARY CHE	Prof. Everett M Standa,BA,MA,Ph.D.(SUNY-Bufallo),MBS.
DVC (A&F)	Prof. Mary K. Walingo, BEd(Kenyatta), MSc(UoN), PhD(Hyderabad)
DVC-(AA)	Prof. Madara Ogot, BSE Hons(Princeton),MSc(Penn State),PhD(Penn State), MBA(Rutgers),MKNAS
AG.DVC –PES	Prof. George Mark Onyango,BA,MA(UoN),PhD.(Bremen) MKIP
SENATE REPRESENTATIVE	Prof: E. N.Waindi, BSc. (B. Cookman), MSc.,Ph.D. (Atlanta).
SENATE REPRESENTATIVE	Prof. Josephine Ngaira Bed(UoN), MA, PhD(Moi)
NON-ACADEMIC STAFF REP	Joshua Kobudho

CHANCELLOR AND PRINCIPAL OFFICERS OF THE UNIVERSITY

CHANCELLOR	Prof. Florida A. Karani, Ph.D, Ed.D(Hon).OGW
CHAIRMAN OF COUNCIL	Prof. Japhet Chesire Kiptoon, BVsc(UoN), Msc(Michigan), Ph.D(UoN).
VICE CHANCELLOR	Prof. Dominic Makawiti,S1(KSTC),Bsc(UoN) PhD (London), EBS, MBS, MIBiol,HSC, MKNAS.
DEP. VICE CHANCELLOR (Finance & Administration)	Prof. Mary K. Walingo, BEd(Kenyatta) MSc (UoN), PhD (Hyderabad)
DEP. VICE CHANCELLOR (Academic Affairs)	Prof. Madara Ogot
AG.DEP. VICE CHANCELLOR (Planning & Extension Services)	Prof. George Mark Onyango, BA,MA(UoN),PhD(Bremen)
FINANCE OFFICER	Mrs. Ruth Kusienya Chesang', Bcom. (UoN)
AG: UNIVERSITY LIBRARIAN	Ms. Sylvia Ogolla
REGISTRAR (Administration)	Mr. Mathew O. Onyango, BEd(UoN), MEd(Manchester).
AG. DEPUTY REGISTRAR (Academic Affairs)	Mr. Charles N O. Kwach BEd (UoN).
DEPUTY REGISTRAR (Central Services)	Mr. Gerald Odhok, PGD (Glasgow) CPS(KIA),MSc (Manchester)
HEAD, MEDICAL SERVICES	Dr Vitalis Ouko Ogilo, MB. Ch.B (UoN)

THE CHAIRMAN'S REPORT

Maseno University continues to experience great pressure on space and resources. To cope with the ever increasing student numbers and academic members of staff, more funding is required from the government. The University on its part has efficiently utilized the few resources available.

During the year a new Vice-Chancellor was appointed. We as a council will work closely with the Vice-Chancellor to make sure that Maseno University attains the greatest heights possible as a public institution of higher learning. The University has attained the ISO 9001:2008 Certification and we have confidence in the staff and students to maintain the standards.

The University launched its Strategic Plan 2011-2017. The Strategic Plan takes cognizance of not only the objective of increasing access to university education but also the objective of maintaining high quality even as we enhance enrollment.

The university still experiences difficulties in terms of physical facilities. The construction of a modern library is on going and will be able to cater for the increasing student population. There is also need to recruit more academic staff for the new programmes. The school of medicine has admitted its first group of medical students.

We are confident and satisfied that with continued prudent management of resources and an increase in government grants, Maseno University will develop into a leading University and a competitive center of excellence in Kenya.

I wish to thank the Chancellor, Council members, the Vice-Chancellor and the staff for their dedication and support. I would also like to commend the student body for their cooperation and understanding, which has contributed greatly to the stability and growth of the University. With the support of all stakeholders we look forward to even greater achievements.



Prof. Japhet Chesire Kiptoon
Chairman, Maseno University Council

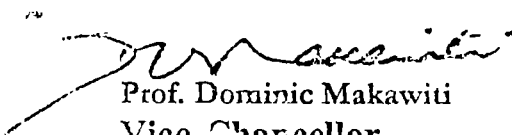
VICE-CHANCELLOR'S REPORT

Maseno University's performance during the year under review was good. The government capitation has stagnated at the same level since the 2006/2007 financial year while prices of goods and services continue to rise. This has affected our performance financially with the result that we have a huge deficit in our budget. However the University has put in place the necessary internal control measures to ensure that we meet the targets based on our performance contract.

The University cannot meet its operations and maintenance costs adequately without adequate government support. Several projects have remained incomplete because they cannot be funded from internal resources. This has forced the scaling down of expenditure in some key areas that are integral part of the overall university objectives, and the University is looking forward to increase in capitation and development grants from the government.

The University launched its 2011-2017 Strategic Plan which will serve as its roadmap in attaining its mission and strategic objectives. Successful implementation of the Strategic Plan will require financial resources.

I wish to thank the government, the Council, staff, students, parents, international partners and other stakeholders for their contributions and support during the year.



Prof. Dominic Makawiti
Vice-Chancellor

STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

Maseno University is required to prepare financial 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 that disclose, with reasonable accuracy, at any time the financial position of the University.

The Council is also responsible for safeguarding the assets of the University.

The Council accepts responsibility of annual 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 Financial Reporting Standards.

The Council is of the opinion that the financial statements give a true and fair view of the state of financial affairs of the University as at 30th June 2011 and of its surplus for the year then ended. The Council further confirms the accuracy and completeness of the accounting records maintained by the University, which may be relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal controls.

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

This Statement is approved by the University Council and signed on its behalf by:


Prof. Dominic Makawiti
Vice-Chancellor

20.3.2012

-----Date-----

REPUBLIC OF KENYA

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NAIROBI



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON MASENO UNIVERSITY FOR THE YEAR ENDED 30 JUNE 2011

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Maseno University set out on pages 8 to 32, which comprise the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of the cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

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

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

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

Basis for Qualified Opinion

1. Property, Plant and Equipment

(i) Self-Catering Students Accommodation (Vet Farm)

As reported in the previous year 2009/2010, the property, plant and equipment balance of Kshs.2,235,972,135 includes Work In Progress balance of Kshs.512,703,563 as at 30 June 2011 out of which an amount of Kshs.238,222,122 is in respect of construction of four hundred (400) units of self-catering students accommodation. According to information available, the project was undertaken through a system referred to as 'labour contract' which involves buying of building materials by the University while contracting out the labour. Records also made available indicate that the cost of the project was estimated at Kshs.167,000,000 leading to a cost overrun of Kshs.71,222,122.

(ii) Transfer of Work in Progress

The Work in Progress of Kshs.512,703,563 as at 30 June 2011 includes Kshs. 58,377,188, Kshs.20,370,545 and Kshs.238,222,122 for Millennium Lecture Halls, Management Information Systems and Vet Farm Hostels respectively. These particular projects have been completed and are in use but have not been transferred from the Work in Progress.

(iii) Library Construction

Further, included in the Work in Progress figure of Kshs.512,703,563 as at 30 June 2011 is Kshs.133,334,379 being cost of the construction of a library. According to information available, the project is being undertaken through a system referred to as 'labour contract' which involves buying building materials by

the University while contracting labour. However, as per the contract agreement dated 31 May 2010, the labour contract was to cost Kshs.68,005,163 as opposed to Kshs.133,334,379 and therefore resulting to a cost overrun of Kshs.65,329,216 (96% increase). Further, the project was to take a duration of 56 weeks, but however as at the time of this audit, the construction had taken 83 weeks and had not yet been completed. A visit to the site during the audit review indicated that the construction works had stalled.

(iv) As reported in the previous year, the property, plant and equipment balance of Kshs.2,235,972,135 as at 30 June 2011 excludes five (5) parcels of land measuring 115 hectares with undetermined value, situated at Kisumu Municipality and Maseno Township.

(v) Similarly as reported in the previous year 2009/2010, the University incurred an expenditure of Kshs.125,000,000 during that year in the purchase of parcel ref. no. 12/55 measuring 0.4181 hectares in Kisumu Municipality. However, and according to information available, the expenditure does not appear to have been factored in the budget for that year, contrary to Section 12 of the State Corporations Act, Cap 446.

In the circumstances, it has not been possible to confirm the propriety of the costs overrun totalling Kshs.136,551,338 in respect to library and vet farm as well as the parcel of land in Kisumu costing Kshs.125,000,000 and that the property, plant and equipment balance of Kshs.2,235,972,135 is fairly stated as at 30 June 2011.

2. Council Expenses

Included under the expenditure for the year totalling Kshs.1,905,478,791 is council expenses amounting to Kshs.15,894,940 as disclosed at note 4 out of which Kshs.2,370,440 had no supporting documentation.

In the circumstances, the propriety of the expenditure amounting to Kshs.2,370,440 could not be confirmed for the year ended 30 June 2011

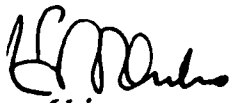
3. Cash and Bank Balances

- (i) Included in the cash and bank balances figure of Kshs.167,616,543 as at 30 June 2011 is Kshs.184,524 and Kshs.1,637,502 for two bank accounts which have remained dormant for a long period of time and for which no cash books were maintained.
- (ii). Further, the cash and bank balances figure of Kshs.167,616,543 was arrived at after taking into account Kshs.2,947,660, Kshs.778,938 and Kshs.11,294,802 being unidentified debits, uneffected bankings and unidentified credits respectively which had not been explained or identified as at the time of this audit.

In the circumstances, it has not been possible to confirm the validity and accuracy of the cash and bank balance of Kshs.167,616,543 as at 30 June 2011.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the University as at 30 June 2011, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Maseno University Act, 2000.



Edward R. O. Ouko
AUDITOR-GENERAL

Nairobi

14 May 2012

STATEMENT OF COMPREHENSIVE INCOME
 For Year Ended 30th June 2011

	Notes	2011 KShs	2010 KShs
Capitation Grants	2	1,117,082,767	994,882,768
Tuition Fees	3	471,781,792	441,105,912
Other Incomes	3	280,765,078	271,43,051
Sub-Total		1,869,629,637	1,707,131,731
Less: Expenditure for the Year	4	1,905,478,791	1,671,684,405
Surplus for the year		(35,849,154)	35,447,326
Balance B/F		567,369,763	532,422,437
Surplus/(Deficit) C/Forward		532,020,609	567,869,763

MASENO UNIVERSITY**STATEMENT OF COMPREHENSIVE INCOME**For Year Ended 30th June 2011

	<i>Notes</i>	<u>2011 KShs</u>	<u>2010 KShs</u>
Capitation Grants	2	1,117,082,767	994,882,768
Tuition Fees	3	471,781,792	441,105,912
Other Incomes	3	280,765,078	271,143,051
Sub-Total		<u>1,869,629,637</u>	<u>1,707,131,731</u>
Less: Expenditure for the Year	4	1,905,478,791	1,671,684,405
Surplus for the year		<u>(35,849,154)</u>	<u>35,447,326</u>
Balance B/F		567,869,763	532,422,437
Surplus/(Deficit) C/Forward		<u><u>532,020,609</u></u>	<u><u>567,869,763</u></u>


STATEMENT OF FINANCIAL POSITION


As at 30th June 2011

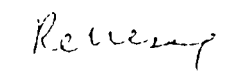
ASSETS	<i>Notes</i>	2011 KShs	2010 KShs
NON CURRENT ASSETS			
Property, Plant & Equipment	5	2,235,972,135	2,008,191,651
Investment in Treasury Bond	6	10,000,000	10,000,000
Biological Assets	7	7,204,250	3,960,060
TOTAL NON CURRENT ASSETS		2,253,176,385	2,022,151,711
Current Assets			
Inventories	8	39,654,713	48,495,127
Trade & Other Receivables	9	35,368,042	27,119,314
Short Term Deposits	10	159,217,120	285,474,959
Cash & Bank Balances	11	167,616,543	202,852,852
Bank Guarantee		2,000,000	
Total Current Assets		403,856,418	563,942,252
TOTAL ASSETS		2,657,032,803	2,586,093,963
EQUITY & LIABILITIES			
Capital Funds		1,950,661,856	1,910,661,856
Revenue Reserve	12	532,020,609	567,869,763
Total EQUITY		2,482,682,465	2,478,531,619
Non-current liability			
Students Caution Money	13	5,956,700	5,803,600
Current Liabilities			
Trade Other Payables	14	166,893,638	101,008,744
Provision for Audit Fee		1,500,000	750,000
Total Current Liabilities		168,393,638	101,758,744
TOTAL FUNDS AND LIABILITIES		2,657,032,803	2,586,093,963

The notes on page 12 to 34 form an integral part of these Draft Financial Statements. The Draft Financial Statements were approved and signed on behalf of the University Council on 16th March, 2012

By:


Prof. Dominic Makawiti
Vice Chancellor


Prof. Mary K Walingo
D.V.C (A & F)


Ruth K. Chesang
Finance Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30/06/2011

	<u>2011</u>	<u>2010</u>
	<u>KShs</u>	<u>KShs</u>
<u>Cash flow from operating activities</u>		
Surplus/(Deficit) for the year	(35,849,154)	35,447,326
<u>ADJUSTMENTS</u>		
Depreciation	81,805,710	72,362,871
Provisions - Audit Fees	750,000	750,000
Profit on sale of Fixed Assets	(256,194)	(1,075,448)
(Increase) in Biological Assets	(3,244,190)	(1,941,060)
Interest Received	(5,969,209)	(1,427,888)
Prior year Adjustments	0	(65,380)
Operating Profit before working capital changes	37,236,963	104,050,421
(Increase)/Decrease in Inventory	8,840,414	(2,088,203)
(Increase) / Decrease in Receivables	(8,248,728)	92,488,501
Increase /(Decrease) in Payables	65,884,894	2,085,863
	<u>66,476,580</u>	<u>92,486,161</u>
Cash Generated from Operations	103,713,543	196,536,582
Return on investing & Servicing Finance		
Interest Received	5,969,209	1,427,888
	5,969,209	1,427,888
<u>Cash flow from Investing Activities</u>		
Acquisition of Fixed Assets	(309,823,981)	(93,186,238)
Payment of Audit Fees	0	(750,000.0)
Proceeds from sale of Motor Vehicles	493,981	5,290,900
	(309,330,000)	(88,645,338)
<u>Cash flow from Financing Activities</u>		
Development Grants (MOE)	40,000,000	58,968,000
Caution Money Refund-Aggregate	<u>153,100</u>	<u>893,000</u>
	40,153,100	59,861,000
Increase in Cash & Cash Equivalent	(159,494,148)	169,180,132
Cash & Cash Equivalent at 1st July 2010	488,327,811	319,147,679
Cash & Cash Equivalent at 30th June 2011	328,833,663	488,327,811
Represented by:		
Bank balances(Note 10)	169,456,420	202,525,869
Cash balances (Note 11)	160,123	326,983
Cash & Bank Balances	169,616,543	202,852,852
Short Term Deposits(Note 11)	159,217,120	285,474,959
	<u>328,833,663</u>	<u>488,327,811</u>

STATEMENT OF CHANGES IN CAPITAL FUND& RESERVES

As at 30th June 2011

	Capital Fund K.Shs.	Revenue Reserves K.Shs.	Total K.Shs.
Balance as at 1/7/2009	1,851,693,856.00	532,422,437.00	2,384,116,293.00
Capital Grants	58,968,000.00		58,968,000.00
Surplus For the Year		35,447,326.00	35,447,326.00
Balance as at 30/06/2010	1,910,661,856.00	567,869,763.00	2,478,531,619.00
Balance at at 1/7/2010	1,910,661,856.00	567,869,763.00	2,478,531,619.00
Capital Grants	40,000,000.00		40,000,000.00
Deficit for the year		(35,849,154.00)	(35,849,154.00)
Balance as at 30/6/2011	1,950,661,856.00	532,020,609.00	2,482,682,465.00

MASENO UNIVERSITY

NOTES TO THE ACCOUNTS - 2010/2011

Note 1: ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS). The financial statements are presented in Kenya Shillings (Kshs.) and prepared under the historical cost convention as adjusted by revaluation of certain assets.

b) Revenue recognition

Grants and fees are charged over the period that is expected to benefit there from with exception of Capital Grants which are credited to the capital Fund and debited to the relevant asset Account.

Interest income and rental income are recognized on an accrual basis.

c) Property, Plant & Equipment

All property, Plant & Equipment is stated at historical cost less depreciation. Depreciation is calculated on the straight-line basis to write the cost of its residual values over its estimated useful life, except for Motor Vehicles as below:

Motor Vehicles – at 20% per annum on Cost after allowing for 10% Residual value on the purchase price.

Plant & Equipment – at 12.5% per annum on Cost

Furniture & Fittings – at 12.5% per annum on Cost

Buildings – at 2.5 % per annum on Cost

Land – not depreciated as it is deemed to have an indefinite life

Gains and Losses on disposal of property, plant & Equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

d) Impairment of assets

The University assesses, at each reporting date whether there is indication that an asset may be impaired. Where such indication exists, an estimate of the assets recoverable amount is made. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount. Impaired losses are recognized in the income statement.

e) Mattresses and Pillows

Mattresses, Pillows and bed sheets are expended during the year of purchase.

f) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Library books and teaching materials are expensed in the year of purchase.

g) Trade receivables

Trade receivables are carried at original invoiced amount.

h) Employee entitlements

Employee entitlements to annual leave and gratuity awards are recognized when they accrue to employees.

i) Cash and Cash Equivalent

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, cash at bank and short term fixed deposits held at bank.

Note 2 **Capitation Grant**

The capitation grant for the year was received as follows

Month	MR. No.	Kshs.
July	RTGS	122,341,421
July	RTGS	83,000,000
August	RTGS	82,885,577
September	RTGS	82,885,577
October	RTGS	82,885,577
November	RTGS	82,885,577
December	RTGS	82,885,577
January	RTGS	82,885,577
February	RTGS	82,885,577
March	RTGS	82,885,577
April	RTGS	99,667,910
May	RTGS	99,667,910
June	RTGS	49,320,910
		1,117,082,767

Detailed Income For the Year

NOTE 3

	2011	2010
	KShs	KShs
Tuition Fee	471,781,792	441,105,912
Others	280,765,078	271,143,051
	752,546,870	712,248,963

Tuition fee are receipts from the categories listed here below

SPL	325,854,648	308,039,885
JAB	90,018,838	89,630,477
BBA	22,401,461	16,770,959
MED	11,739,275	5,818,050
MA	3,051,700	1,985,600
PDGE	1,577,500	7,796,872
MPH	7,255,850	4,216,750
MSC	1,697,100	984,530
MBA	7,945,420	3,496,600
PHD	240,000	2,366,189
	<u>471,781,792</u>	<u>441,105,912</u>

<u>Income</u>			
NOTE 3			
<u>Code</u>	<u>Description</u>	<u>2011</u>	<u>2010</u>
3100	JAB- Tuition Fees	90,018,838	89,630,477
3102	JAB - Registration Fee	1,650	1,000
3103	Id Card Sales	3,550	53,260
3104	Examination Fee	139,540	303,219
3106	Fines & Damages	-	14,475
3112	JAB - Computer Fees	4,641,500	5,150,500
3200	Special Admissions - Tution Fee	325,854,648	308,039,885
3204	Special Admissions - Examination Fee	97,716	4,900
3212	Special Admissions - Computer Fees		7,796,872
3251	BBA-Evening - Tuition Fee	22,401,461	16,770,959
3300	Med - Tution Fee	11,739,275	5,818,050
3301	MA- Tuition Fees	3,051,700	1,985,600
3310	Certificate Courses City Campus	2,479,900	
3312	PGDE - Tution Fees	1,577,500	-
3320	MPH- Tuition Fees	7,255,850	4,216,750
3321	MSc - Tuition Fees	1,697,100	984,530
3323	MBA - Tuition Fees	7,945,420	3,496,600
3324	BED Fees City Campus	611,250	
3325	BSC City Campus	1,152,600	
3331	Diploma Fees City Campus	1,979,600	
3351	Ph.D. - Tuition Fee	240,000	2,366,189
3402	Maintenance Fees	-	-
3407	Accommodation Fees	-	18,967,510
3408	Gas Refilling	16,200	158,900
3414	Convocation Fees	-	-
3415	Alumni Association Fees	-	-
3422	Special Admission Form Sales	1,652,808	1,223,200
3501	House Rent	829,160	4,230,430
3502	Imprest Recovery	872,243	1,266,213
3503	Imprest Under Expenditure.	4,196,434	1,585,295
3505	Salary Pay In lieu of notice	114,865	226,800
3507	Staff Surcharge/Fines	258,459	203,041
3509	Varsity Plaza Rental	15,671,665	12,705,767
3602	Research Grants Daad	179,200	763,417
3606	Research Grants	54,504,565	60,592,196
3701	Homa Bay Application Fee	385,500	
3702	Other Revenue Donations	30,000	897,342
3703	Homabay Tuition Fees	5,001,640	
3704	PGDE Homabay	1,252,750	
3802	Bookshop Sales	468,732	566,194
3803	Tender Document Sale	742,600	923,860
3805	Library Fines & Books Disposal	49,036	102,594
3807	Miscellaneous Income	201,506	-
3809	Water Charges	40,500	245,000

<u>Code</u>	<u>Description</u>	<u>2011</u>	<u>2010</u>
3810	City Campus Cafferia	41,705	
3813	Farm Sales	13,335,170	8,889,245
3816	Intrest Earned	5,019,209	1,427,888
3817	Catering Food Sales	12,999,087	13,269,639
3818	Misc.Income-Health	8,405	7,230
3819	Interest on Treasury Bond	950,000	
3821	Shuttle Bus	155,225	563,915
3824	Fax Machine	18,618	-
3825	Motor Vehicle Disposal	256,194	1,075,448
3827	Bamboo Village Sales	153,039	
3831	Sale Of Postgrad.Forms	-	345,000
3832	Edu. School Based Bondo TTC	-	99,800
3837	Photocopying - Library	34,656	169,624
3838	Other Incomes	1,318,294	678,720
3839	Insurance Rebates	4,499,484	2,081,694
3843	I.G.A. - Tent Food Sales	1,460,197	2,325,472
3851	Accom. Guest House-Iga	196,624	458,910
3857	T.P. Lesson Plan	524,148	204,710
3870	Ksm Hotel Restaurant Sales	42,659,214	35,537,739
3873	Library Binding Services	131,597	314,856
3874	Ksm Hotel Bar Sales	8,436,541	8,195,058
3875	Retention Fee	3,035,054	680,051
3876	Hotel Stationery Sales	975,523	
3877	Mitc - Income	7,210,540	9,445,230
3878	P.A /Entertainment	337,632	
3881	Ksm Hotel Equip. Hire	513,500	320,450
3882	Ksm Hotel Laundry Charges	156,930	177,440
3883	Ksm Hotel Room Service	-	4,200
3884	Ksm Hotel Intrernet Service	40,188	6,663
3885	Ksm Hotel Hall Hire	6,509,808	4,627,460
3886	Internal Audit Photocopying	-	3,107
3887	Ksm Hotel Swimming Pool Charges	310,910	333,890
3888	Kisumu Hotel - Pool Bar Sales	2,341,950	1,433,465
3889	Interest From Fixed Deposits	-	15,377,935
3891	Ksm Hotel Tel & Fax Sales	-	73,298
3894	Ksm Hotel Air Time Sales	984,990	1,729,058
3895	Kisumu Hotel Room Charges	65,151,472	50,672,229
3896	Ksm Hotel Kitchen Salvage	179,815	126,644
3899	Gain on Biological Assets	3,244,190	
	TOTALS	752,546,870	711,947,093

NOTE4

Expenditure

Code	Description	2011	2010
4101	Basic Emoluments	655,591,664	629,442,123
4102	House Allowance	383,098,011	319,137,835
4103	Car Allowance	3,394,758	4,593,226
4104	Entertainment Allowances	6,829,606	6,590,872
4105	Responsibility Allowances	7,050,348	7,289,178
4106	Telephone Allowance	3,162,193	3,221,450
4107	Water Allowance	642,595	618,647
4108	Electricity Allowances	1,071,816	1,032,136
4110	Non-Practicing Allowance	1,372,000	1,348,933
4111	Book Allowance	3,654,112	2,932,500
4112	Leave Allowance	13,364,601	3,212,269
4113	Commuting Allowance	48,797,870	53,049,531
4114	Risk Allowance	754,800	707,712
4115	Hospital visit Allowances	201,600	97,440
4116	Passage & Baggage Allow.	620,892	672,833
4117	Gratuity & Retirement Benefits	100,067,371	77,652,245
4118	Part-time Teaching Payments	24,969,578	21,470,130
4119	Exam. Cordination	353,600	390,155
4121	Domestic Workers	1,284,659	1,295,568
4124	Research Project Supervision	1,441,666	
4201	Stationery & Stores	22,823,784	19,253,410
4202	Travelling & Accomodation	15,250,929	18,308,462
4204	Teaching materials	14,749,773	10,095,119
4205	Computer Materials	9,142,990	10,762,168
4208	Office Entertainment	1,389,102	1,333,952
4210	Purchase of Drugs	22,157,157	20,144,205
4211	Payment of Medical Bills.	21,068,677	17,454,520
4212	Dental Optical Services	3,097,150	1,055,847
4213	Field Trips/Industrial Attach.	12,556,972	10,067,477
4214	Maint. of Office Equipment	7,564,519	1,693,908
4215	Maint-Water Supply/Sewerage	1,676,151	1,280,125
4216	Supply of Electricity	30,173,287	30,603,589
4217	Maintenance of Equipment	22,100	184,465
4218	Students Welfare & Games	2,096,500	7,638,844
4220	Students Activity	6,083,500	
4221	Purchase of Cleaning Materials	8,623,675	4,428,650
4222	Telephone Expenses-D. Lines	4,845,738	6,523,966
4223	Staff Developments	89,000	970,670

4224	Legal Expenses & Fees	2,604,589	2,317,652
4225	Advertising & Publicity	24,569,127	6,476,457
4227	Contingency Fund	409,300	18,485
4228	Misceleneuos Catering Exps.	-	17,000
4231	Postal & Telegram Ex	351,007	369,776
4232	Transport Operating- Fuel	14,792,863	19,267,402
4233	Transp. Oper. Exp-Tyres	3,641,750	233,078
4234	Maint-Office Buildings	30,695,897	21,605,370
4235	Seminers & Conference	1,809,390	2,666,208
4236	External Travel	833,631	1,374,835
4237	Shows & Exhibitions	3,919,048	2,983,420
4238	Publishing & Printin	8,322,731	-
4239	Maintenance of Grounds	256,848	40,802
4240	Rent & Rates - Staff	1,543,131	1,243,877
4241	Staff Welfare - Misc	647,287	249,175
4243	Insurance Fidelity	4,599,484	383,288
4244	Water Bill Charges	7,084,132	5,875,131
4247	Stuent Work Study Programe	477,650	266,450
4249	Laboratory Reagents	951,596	1,313,213
4253	Minor Works & Constr	2,495,332	8,560,966
4255	Purchase of Curtlery	1,055,418	737,170
4256	Council Expenses	15,894,940	5,533,796
4257	Casual Wages	1,045,577	2,604,725
4258	Cooking Fuel/Gas	4,661,378	4,145,241
4260	Maint. of Hostels	6,361,797	370,584
4261	Bank Charges	927,696	1,540,280
4262	External Linkage	1,129,283	-
4266	Hired Security Services	40,286,387	36,725,073
4267	Sanitary Expenses	967,748	933,280
4268	Purch. of TextBooks	548,793	22,306
4269	Purch.of Stationery	145,021	980
4270	Main. Of Plant & Equip.	265,497	49,709
4271	Teaching Expenses	630,782	388,818
4272	Animal Feeds	10,202,132	13,874,055
4273	Livestock Drugs	1,497,342	576,641
4274	Land Preparation		-
4275	Crop Inputs	207,000	45,000
4276	Purch. of Beef Cattle	4,666,800	1,318,940
4278	Purch. of Chicken	904,500	393,000
4279	Purch of Farm Tools/	1,010,800	31,150
4280	Tree Nursery Seeds	9,000	191,950

4281	Farm Maintenance	2,122,628	2,411,522
4282	Veterinary Services	118,874	-
4284	Purch. of Library Books	4,243,588	1,297,174
4285	Purch. of Periodicals	442,645	371,810
4287	Purch of Audio & Mat	-	1,351,110
4289	Research Programme	43,458,656	46,167,260
4290	Admission & Related Expenses	-	307,525
4292	Bindery Material	-	153,075
4293	External Examiners	2,836,615	2,735,856
4294	Graduation Expenses	2,805,269	3,018,019
4297	Animal House	-	4,700
4300	Uniforms & Clothing	3,392,061	2,036,377
4301	Examination Material	2,531,395	1,840,400
4302	Licences & Fees	3,442,563	421,800
4305	IGA - Purch of Food	27,236,415	18,791,585
4306	Kisumu Hotel Purch. of Food	18,614,124	14,884,601
4308	Depreciation Charge	81,805,712	72,362,870
4309	Audit Fees Expenses	750,000	750,000
4310	Cleaning Services	417,146	
4312	Insurance-Fire & Perils	-	2,740,458
4313	Insurance-Workmens Comp.	888,470	5,560,868
4314	Insurance- Motor Vehicles	783,413	199,886
4319	Transport Oper. Exp. Repairs	3,626,843	167,422
4320	IGA- Miscellaneous Expenses	-	66,500
4321	HONORARIUM	2,638,709	2,002,000
4323	PGDE- Teaching Expen	1,174,590	-
4324	PGDE- TP Supervision	-	803,790
4326	Joint Admissions Board	365,100	255,550
4330	Information Technology	-	7,144,931
4331	Ksm Hotel Bar Purchases	6,449,534	4,336,257
4333	Catering Levy - Kisumu Hotel	2,556,420	2,313,173
4334	Planning Studio	880,130	-
4335	Kisumu Hotel - Expenses	10,776,504	12,387,327
4336	Subscriptions & Journal	5,732,758	7,747,577
4338	Varsity Plaza - Expense	2,694,177	22,040
4339	Internet Services	17,792,903	4,806,333
4340	Withholding Tax	157,093	44,441
4342	KRA Tax Penalties	109,580	
4343	ICT Development	2,169,000	
4344	ISO Certification	663,984	
4345	Odel Programs	5,001,000	

4347	Bondo School Based Prog.	15,990	551,843
4348	Penalties & Fines		6,724,134
4349	Sonyaco Expenses	3,227,474	3,538,748
	TOTALS	1,905,478,791	1,671,684,405

Schedule of Buildings

Particulars	Date of Construction/ Acquisition	Cost/ Revaluation	Depreciation Charge		Net Book Value As At 30/6/2011
			As At 30/6/2010	Charge for The Year	
Admin Bldgs	1998/99	41,403,000	12,420,900	1,035,075	27,947,025
Education Bldgs	1998/99	10,486,000	3,145,800	262,150	7,078,050
Recreation Bldgs	1998/99	27,849,279	8,354,783	696,232	18,798,264
Hostels	1998/99	242,056,088	37,695,010	6,051,402	198,309,676
Residential Bldgs	1998/99	25,502,000	7,650,600	637,550	17,213,850
Support Structures	1998/99	2,059,000	617,700	51,475	1,389,825
Residential Bldgs	1998/99	50,470,000	15,141,000	1,261,750	34,067,250
Support Structures	1998/99	153,000	45,900	3,825	103,275
Water Structures	1998/99	2,000,000	600,000	50,000	1,350,000
Admin Bldgs	1998/99	52,255,956	15,676,820	1,306,399	35,272,737
Education Bldgs	1998/99	100,582,000	30,174,600	2,514,550	67,892,850
Hostels/Catering	1998/99	88,886,000	26,665,800	2,222,150	59,998,050
Health Services	1998/99	12,455,334	1,995,532	311,383	10,148,419
Recreational Bldgs	1998/99	9,465,000	2,839,500	236,625	6,388,875
Residential Bldgs	1998/99	82,940,000	24,882,000	2,073,500	55,984,500
Religious Bldgs	1998/99	2,626,000	787,800	65,650	1,772,550
Farm Structures	1998/99	15,817,920	4,682,936	395,448	10,739,536
Water Structures	1998/99	242,000	72,600	6,050	163,350
Support Structures	1998/99	2,679,200	803,760	66,980	1,808,460
Water Structures	1998/99	4,302,385	1,024,288	107,560	3,170,537
KSM Municipality	1998/99	22,014,768	6,054,060	550,369	15,410,339
Minor Works	1998/99	240,598,505	30,027,005	6,014,963	204,556,537
Non-Residential Bldgs	1998/99	2,189,582	492,658	54,740	1,642,184
Seminar Rooms	2001/02	2,626,200	590,895	65,655	1,969,650
Lecture Hall 14	2001/02	15,204,880	3,421,097	380,122	11,403,661
lecture Hall 15	2001/02	1,904,933	428,609	47,623	1,428,700
I.R.P.S Library	2001/02	100,000	22,500	2,500	75,000
Incubator House	2001/02	44,151,445	8,830,288	1,103,786	34,217,371
Kisumu Hotel	2002/03	1,054,796	184,590	26,370	843,836
MITC	2003/04	993,500	173,865	24,838	794,798
Physics Laboratory	2004/05	11,500,000	1,725,000	287,500	9,487,500
Town House	2005/2006	86,511,139	10,783,047	2,162,778	73,565,314
Sunrise Hostels	2005/2006	97,591,860	11,897,042	2,439,797	83,255,022
Kisumu Hotel Ext.	2005/2006	233,618,434	29,056,858	5,840,461	198,721,115
Varsity Plaza	2006/2007	3,947,318	394,732	98,683	3,453,903
Show Ground Building	2006/2007	31,400,000	3,140,000	785,000	27,475,000
Vet Farm Improvements	2007/2008	11,406,929	855,519	285,173	10,266,237
Kisumu Hotel Renovations	2010/2011	130,000,100	303,355,094	3,250,000	126,750,101
Sokhi Building					
TOTAL		1,711,044,550	303,355,094	42,776,111	1,364,913,345

Note 5(ii)

Schedule of Equipments

Year of Acquisition	Total Assorted cost	Depreciation			Net Book Value
		As At 30/6/2010	Charge for Year	As At 30/6/2011	30/06/2011
1990/91	2,755,733	2,755,733	-	2,755,733	-
1991/92	1,783,029	1,783,029	-	1,783,029	-
1992/93	9,744,909	9,744,909	-	9,744,909	-
1993/94	2,371,257	2,371,257	-	2,371,257	-
1994/95	3,247,236	3,247,236	-	3,247,236	-
1995/96	7,404,320	7,404,320	-	7,404,320	-
1996/97	19,146,439	19,146,439	-	19,146,439	-
1997/98	3,120,520	3,120,519	-	3,120,519	-
1998/99	158,919,171	158,919,171	-	158,919,171	-
1999/00	2,919,960	2,919,960	-	2,919,960	-
2000/01	6,430,510	6,430,510	-	6,430,510	-
2001/02	2,452,071	2,452,071	-	2,452,071	-
2002/03	4,728,270	4,728,270	-	4,728,270	-
2003/04	1,858,226	1,858,227	-	1,858,227	-
2004/05	20,057,521	15,043,140	2,507,190	17,550,330	2,507,191
2005/06	17,006,500	10,629,065	2,125,813	12,754,878	4,251,623
2006/2007	40,950,694	20,475,348	5,118,837	25,594,185	15,356,509
2007/2008	23,590,132	8,846,298	2,948,766	11,795,064	11,795,067
2008/2009	24,147,191	6,036,798	3,018,399	9,055,197	15,091,994
2009/2010	33,402,470	4,175,309	4,175,309	8,350,618	25,051,852
2010/2011	25,161,421	-	3,145,178	3,145,178	22,016,243
TOTAL	411,197,579	292,087,608	23,039,491	315,127,099	96,070,480

Note 5(iii)

Schedule of Furniture & Fittings

Year of Acquisition	Cost/Valuation	Depreciation			Net Book Value
		As At 30/6/2010	Charge for Year	As At 30/6/2011	As at 30/06/2011
1998/99	16,011,491	16,011,491	-	16,011,491	-
1999/00	233,000	233,000	-	233,000	-
2000/01	527,424	527,424	-	527,424	-
2001/02	1,282,028	1,282,028	-	1,282,028	-
2002/03	298,684	298,615	-	298,615	69
2003/04	2,223,983	2,059,736	164,247	2,223,983	-
2004/05	4,409,796	3,307,961	551,225	3,859,186	550,611
2005/06	4,704,025	2,940,015	588,003	3,528,018	1,176,007
2006/2007	3,638,325	1,819,165	454,791	2,273,956	1,364,369
2007/2008	4,371,619	1,639,356	546,452	2,185,808	2,185,811
2008/2009	3,083,137	770,784	385,392	1,156,176	1,926,961
2009/2010	2,653,537	331,692	331,692	663,384	1,990,153
2010/2011	2,672,811	-	334,102	334,102	2,338,709
	46,109,861	31,221,267	3,355,904	34,577,171	11,532,689

Schedule of Motor Vehicles

Vehicle Reg. No.	Vehicle Type	Date of Acquisition	Cost	Depreciable Amount (less 10% res. Value)	Depreciation		Net Book Value
					As at 30/6/2010	For the year	
KAB 971B	Isuzu Bus	1992	1,138,100	1,024,290	-	1,024,290	113,810
KAG 648P	Datsun Pick-Up	1996	445,000	400,500	-	400,500	44,500
KAG 206F	Mercedes Benz	1996	4,863,125	4,376,812	-	4,376,812	486,312
KZG 135	Peugeot 504GR	1997	558,000	502,200	-	502,200	55,800
KAG 846F	Toyota Saloon	1997	708,121	637,309	-	637,309	70,812
KAG 852F	Toyota S/Wagon	1997	579,853	521,868	-	521,868	57,985
KAG 851F	Toyota S/Wagon	1997	579,853	521,868	-	521,868	57,985
KAG 853F	Toyota S/Wagon	1997	579,853	521,868	-	521,868	57,985
KAG 855F	Toyota Landcruiser	1997	1,075,696	968,126	-	968,126	107,570
KAH 307F	Toyota Truck DA115	1997	1,848,812	1,663,931	-	1,663,931	184,881
KAH 053F	Toyota Mini-Bus	1997	1,642,526	1,478,273	-	1,478,273	164,253
KAH 308F	Toyota Hiace Ambulance	1997	1,357,132	1,221,419	-	1,221,419	135,713
KAH 051F	Toyota Hiace Van	1997	831,757	748,581	-	748,581	83,176
KAH 052F	Toyota Hiace Van	1997	831,757	748,581	-	748,581	83,176
KAH 055F	Toyota Pick-Up	1997	582,922	524,630	-	524,630	58,292
KAH 056F	Toyota Pick-Up	1997	582,922	524,630	-	524,630	58,292
KAC 508G	Mitsubishi Pajero	1997	1,000,000	900,000	-	900,000	100,000
KYF 654	Tractor	1997	480,000	432,000	-	432,000	48,000
KAJ 375S	Toyota Prado	1999	2,975,000	2,677,500	-	2,677,500	297,500
KAL 350U	Isuzu Bus	2001	6,023,826	5,421,443	-	5,421,443	602,383
KAL 316U	Toyota Pick-Up	2001	1,554,802	1,399,322	-	1,399,322	155,480
KAG 242I	Ssang Young	2001	1,300,000	1,170,000	-	1,170,000	130,000
KAV 662E	Isuzu MV123 Bus	2006	7,080,000	6,372,000	1,274,400	6,372,000	708,000
KAV 675E	Isuzu Mini Bus	2006	3,220,400	2,898,360	579,672	2,898,359	322,041
KAV 435E	Isuzu 7Ton Lorry	2006	4,884,700	4,396,230	879,246	4,396,230	488,470
KAV 441E	Tractor 290	2006	2,285,000	2,056,500	411,300	2,056,500	228,500
KAW 618Z	Mitsubishi Pajero V31 GLX	2007	3,051,000	2,745,900	549,180	2,745,900	305,100
KAW 619Z	Mitsubishi Pajero V31 GLX	2007	3,051,000	2,745,900	549,180	2,745,900	305,100
KAW 620Z	Mitsubishi Pajero V31 GLX	2007	3,051,000	2,745,900	549,180	2,745,900	305,100
KAW 621Z	Mitsubishi Pajero V76 DIESEL	2007	4,638,000	4,174,200	834,840	4,174,200	463,800
KBj 028U	Isuzu Mini Bus	2009	3,629,000	3,266,100	653,220	3,266,100	362,900
KBj 027U	Isuzu Mini Bus	2009	3,629,000	3,266,100	653,220	3,266,100	362,900
KBj 561U	Toyota Corolla	2010	2,525,100	2,272,590	454,518	2,272,590	252,510
KBj 562U	Toyota Corolla	2010	2,525,100	2,272,590	454,518	2,272,590	252,510
KBj 662U	Toyota Corolla	2010	2,525,100	2,272,590	454,518	2,272,590	252,510
KBL 234G	Volkswagen Passat 1.8	2010	3,900,000	3,510,000	702,000	3,510,000	390,000
KBL 523G	ISUZU Bus	2011	7,800,000	7,020,000	1,404,000	7,020,000	780,000
KBN 565E	Toyota Hiace Micro Bus	2011	4,392,000	3,952,800	790,560	3,952,800	440,000
KBN 566E	Toyota Corolla Saloon	2011	2,649,000	2,384,100	476,820	2,384,100	264,900
KBN 568E	Toyota Corolla Saloon	2011	2,649,000	2,384,100	476,820	2,384,100	264,900
KBN 567E	Toyota Corolla Saloon	2011	2,705,625	2,435,063	487,013	2,435,063	270,562
TOTAL			101,729,081	91,556,173	12,634,204	66,899,340	34,829,741
				54,265,1		66,899,340	

Schedule of Land

Year of Acquisition	L.R. No.	Locality	Acreage	Cost/Valuation	Nature of Ownership	Usage
1990	2163	College Campus	16.1 Acres	5,000,000	Lease	Admn. Block & Hostels
1990	9166/VA/25A	Plot A (Academic Village)	108 Acres	54,000,000	Lease	Staff Houses
1990	9166/VA/25B	Plot B	110.74 Acres	20,000,000	Lease	Botanical Garden
1990	9341/47	Siriba Campus	96.5 Acres	50,000,000	Lease	Lecture Halls, Offices & Hostels
1999		Uhanya Beach	0.7 Acres	2,328,865	Freehold	Research Centre
2002	8/26	Kisumu Hotel	2.78 Acres	42,000,000	Lease	Hotel Teaching Facility
2002	11/1	Kisumu Municipality	0.1393 Hac.	2,250,000	Lease	City Campus Library
2006	7/445	KNA Parking Bay	0.3108 Hac.	11,243,452	Lease	Parking Bay
2007	Block 1/18	Vet Farm , Maseno	114.2 Hac.	29,100,000	Lease	Farming
TOTAL				215,922,317		

MASENO UNIVERSITY

Investment in Treasury Bond

The institution invested on a 9%, 9years Bonds. Interest is paid half yearly.

	<u>2011</u>	<u>2010</u>
	Kshs.	Kshs.
Value	10,000,000	10,000,000

MASENO UNIVERSITY

Note 7

BIOLOGICAL ASSETS 7,204,250 3,960,060

Note 8

Inventories

	<u>2011</u> <u>KShs.</u>	<u>2010</u> <u>KShs.</u>
FARM STOCKS	853,219	704,891
BOOKSHOP STORES	3,235,351	3,294,322
STATIONERY STOCKS	4,336,165	4,170,416
CATERING STORES	2,460,640	2,422,652
MEDICAL STORES	1,699,752	2,056,392
MAINTENANCE STORES	15,314,333	25,280,571
HOSTEL STORES	1,515,027	3,157,249
KISUMU HOTEL STORE	10,240,226	7,408,634
TOTAL	39,654,713	48,495,127

Note 9

Receivables

	<u>2011</u> <u>KSHS.</u>	<u>2010</u> <u>KSHS.</u>
SUNDRY DEBTORS	4,512,451	1,537,090
KISUMU HOTEL DEBTORS	5,186,854	5,678,500
HELB	15,261,000	-
VARSITY PLAZA R.DEBTORS	-	584,521
STAFF DEBTORS	10,407,737	5,482,364
PREPAID INSURANCE	-	647,035
OTHER ADVANCES	-	689,804
LAND PURCHASE DEPOSIT	-	12,500,000
	35,368,042	27,119,314

MASENO UNIVERSITY

Note 10	Short-Term Deposits	159,217,120	285,474,959
		<u>159,217,120</u>	<u>285,474,959</u>

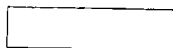
KCB Bank Guarantee 2,000,000

Note 11 **Bank Balances**

	2011	2010
	Kshs.	Kshs.
BARCLAYS BANK A/C 1281015	184,524	184,524
STANDARD CHAR. S/A 0152095381800	1,327,309	3,096,982
MAIN CURRENT A/C KCB	29,740,634	60,812,581
CAPITAL DEV'T. KCB 132.066.100	17,859,532	47,300,665
SGS BANK A/C 130.319.742	42,617,822	31,128,504
AICAD RESEARCH A/C 6002572	1,637,502	1,637,502
KISUMU HOTEL A/C 130.490.946	9,964,082	26,251,370
CITY CAMPUS S/A 130.490.952	12,392,230	5,508,588
IGA KCB S/A 132.066.117	5,591,562	367,558
MITC A/C 130.490.923	4,655,542	4,583,201
Co-op. Main Savings A/C	9,995,735	13,761,984
Varsity Plaza Co-op. Savings A/c	14,340,245	7,892,500
Coop Bank Sonyaco	6,154,780	-
Equity Bank Luanda	3,718,785	-
Coop Bank Main Campus	2,504,810	-
National Bank Ksm	4,771,326	-
	<u>167,456,420</u>	<u>202,525,959</u>

MAIN PETTY CASH FLOAT	2,663	2,273
Kisumu Hotel cash float	0	21,117
Kisumu Hotel Cash Account	157,460	303,593
	<u>160,123</u>	<u>326,983.00</u>

Cash and Bank Balances 167,616,543 202,852,942.00



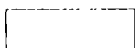
Note 12 REVENUE RESERVES

As at 30th June 2011

	Revenue Reserves
	K.Shs.
Balance as at 30/06/2009	439,016,074.00
Surplus For the Year	93,406,363.00
Balance at at 1/7/2010	532,422,437.00
Surplus for the year	35,447,326.00
As restated	567,869,763.00
Surplus for the year	(35,849,154.00)
Balance as at 30/6/2011	532,020,609.00

Students ' Caution Money

	<u>2011</u> <u>Kshs</u>	<u>2010</u> <u>Kshs</u>
Opening Balance	7,291,600	6,127,000
Deposits during the year	<u>1,960,000</u>	<u>2,569,600</u>
	9,251,600	8,696,600
Refunds during the year	<u>-1,780,500</u>	<u>-1,405,000</u>
Balance Carried Forward	<u>7,471,100</u>	<u>7,291,600</u>
Refundable within 12 months	1,514,400	1,488,000
Refundable after 12 months	<u>5,956,700</u>	<u>5,803,600</u>
	<u>7,471,100</u>	<u>7,291,600</u>



Schedule of Payables

	2011	2010
	Kshs.	Kshs.
2204 PAYE	18,559,460	19,221,254
2205 NHIF	374,940	361,720
2206 NSSF	218,238	221,461
2207 PENSION & GRATUITY	9,068,216	9,464,302
2210 BENEVOLENT FUND	6,216,752	4,076,210
2211 HELB LOAN REPAYMENTS	385,446	1,399,420
2213 UNION DUES	309,289	323,642
2215 HOUSE RENT	2,019,706	59,033
2216 OTHER LOANS	18,834,396	13,749,995
2217 MASENO UNIV. SACCO	6,257,564	5,941,383
2219 Rent Received In Advance	-	4,951,854
2220 PENSION PLOTS	76,011	1,616,201
2221 KISUMU HOTEL CREDITORS	2,711,054	2,711,054
2226 NET PAY	-	286,013
2235 VAT -(INPUT)-PAYABLE	10,728,165	363,150
2238 VAT- VARSITY PLAZA	92,204	1,333,492
2400 TRADE CREDITORS	89,527,797	33,440,560
2001 CAUTION MONEY	1,514,400	1,488,000
	<u>166,893,638</u>	<u>101,008,744</u>

RETIRMENT BENEFITS OBLIGATION

The University operates a defined contribution retirement benefit scheme for all employees. The assets of the scheme are held in a separate trustee administered fund that is funded by contributions from both the University and the employees. The University's contributions to this scheme are charged to the Income and Expenditure Account in the year to which they relate. Benefits are paid to retiring staff in accordance with scheme rules.