

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	27 JUN 2023
TABLED BY:	Hon. Owen Baya, MP Deputy leader, majority party
CLERK AT THE TABLE:	Inzoi mwale

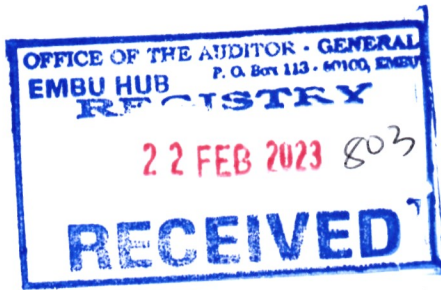
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ON

CHUKA UNIVERSITY

**FOR THE YEAR ENDED
30 JUNE, 2022**



CHUKA



UNIVERSITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE 2022

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

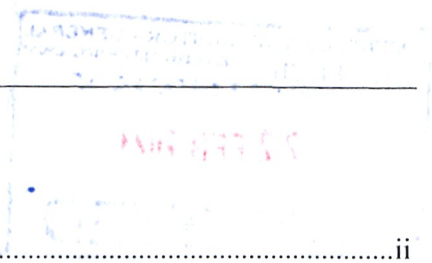


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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Chuka University is an independent public entity established through a charter as per the Universities Act, 2012. It is represented by the Cabinet Secretary for Education, who is responsible for the general policy and strategic direction of the University. Chuka University has a variety of Academic programmes, which are offered under the following six Faculties: Business Studies, Arts and Humanities, Education and Resources Development, Agriculture and Environmental Studies, Science, Engineering and Technology and Faculty of Law.

(b) Principal Activities

The Mandate of the Chuka University as provided by the Chuka University Charter dated 8th January 2013 is to:

- i) Provide directly, or in collaboration with other institutions of higher learning, facilities for university education, the integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of citizens of Kenya.
- ii) Participate in the discovery, transmission, preservation and enhancement of knowledge and to stimulate the intellectual participation of students in the economic, social, cultural, scientific, and technological development of Kenya.
- iii) Provide and advance university education and training to appropriately qualified candidates, leading to the conferment of degrees and award of Diplomas and certificates and such other qualifications as the Council and the Senate shall from time to time determine and in so doing contribute to manpower needs.
- iv) Conduct examinations for such academic awards as may be provided in the statutes pertaining to the University and
- v) Examine and make proposals for new faculties, schools, institutes, departments, resource and research centres, study courses and subjects of study.

OUR MISSION

To generate, preserve and share knowledge for effective leadership in higher education, training, research and outreach through nurturing an intellectual culture that integrates theory with practice and innovation.

Vision

To be a Premier University for the provision of quality education, training and research for sustainable national and global development

Core Values

The University is committed to the following set of core values:

- i) Customer value and focus
- ii) Diversity & social fairness
- iii) Environmental consciousness
- iv) Fidelity to the law
- v) Innovation
- vi) Integrity
- vii) Passion for Excellence
- viii) Peaceful Co-existence
- ix) Professionalism and Confidentiality
- x) Prudence utilisation of resources
- xi) Team work
- xii) Timeliness and Devotion to duty.

(c) Key Management

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

- i) The Council
- ii) The Management Board

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(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and had direct fiduciary responsibility were:

Designation	Name
Prof. Dorcas K. Isutsa, Ph.D.	Acting. Vice Chancellor / Deputy Vice Chancellor (ARSA).
Prof. Henry Mutembei M'Ikiugu, Ph.D.	Deputy Vice Chancellor (AFP&D)
Dr. Peter Opiayo Mabubi, Ph.D.	Registrar (Administration and Planning)
Dr. Samwel Macharia Chege, Ph.D.	Registrar (Academics)
CPA. John K. Thurania, MBA, CPA (K), CPS(K)	Finance Officer
Mr. Naftal Oenga, MBA, Bcom	Procurement Officer

(e) Fiduciary Oversight Arrangements

The key fiduciary oversight committee of the University for the Financial Year 2021/2022 and their respective functions are outlined below:

1. Finance, Farms, Enterprise Company and General-Purpose Committee

- i) To review and recommend approval of policies and conditions for sound management of the financial processes and operations.
- ii) To review and report to the Board on the annual audited accounts.
- iii) To review and recommend approval of policies and conditions for sound management of financial investments.
- iv) To formulate policies and conditions for sound management of University funds.
- v) To discuss and recommend to the council Annual and Quarterly Financial reports.

2. Audit, Governance and Risk Management Committee

- i) To assist in enhancing internal controls in order to improve efficiency, transparency and accountability in the management of University funds
- ii) To Examine internal and external audit reports and recommendations after management response to ensure action is taken
- iii) To follow up to ensure action is taken to resolve Public Accounts Committee recommendations
- iv) To Provide oversight on risk management processes

- v) Any other duty as set out in the Audit Committee Charter

3. Human Resources Management Committee

- i) To provide guidance and direction to compensation and benefits of employees as per the negotiated Collective Bargaining Agreements as well as negotiate for group health care benefits.
- ii) To implementation of employee training and development policy depending on competency needs assessment.
- iii) To carry out the organization employee needs assessment and recommend for recruitment of various categories of staff.
- iv) To handle and recommend to the council staff disciplinary matters and the appropriate action to be taken.

4. Building, Planning and Development Committee

- i) To oversee implementation of development projects in the University.
- ii) To consider and recommend to the Council building projects budget for the University.
- iii) To monitor and appraise development projects for the University.

5. Grievances Handling and Appeals Committee

- i) To hear any appeals related to staff and students discipline and recommend to the council for the necessary action.
- ii) To arbitrate the cases brought to the committee from various organs of the University.

6. Sealing and Honorary Degree Committee

- i) To make recommendations to the council on the award of Honorary Degrees to various personnel.
- ii) To recommend to the Council students due for graduation.
- iii) To propose to the Council, the graduation dates as proposed by the Senate.

f) Entity Headquarters

P.O. Box 109, 60400
Recreation and Business Centre Building
Off Embu-Meru Highway
Chuka, Kenya

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g) Entity Contacts

Telephone: (254) 0202310512/
Cell phone 0715505858/0731620266
E-mail: info@chuka.ac.ke

h) Entity Bankers

1. Kenya Commercial Bank Ltd,
P.O. Box 7014 – 60400
Chuka
2. Cooperative Bank of Kenya
P.O. Box 101 – 60400
Chuka
3. Equity Bank Ltd
P.O. Box 213 – 60400
Chuka
4. Family Bank Ltd
P.O. Box 3092-60200
Meru
5. Barclays bank of Kenya l td
P.O. Box 88-60100
Embu
6. Standard Chartered Bank Ltd
P.O. Box 109-60200
Meru

i) Independent Auditors




Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

j) Principal Legal Advisor





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





2. THE UNIVERSITY COUNCIL

Name(s)	Concise Description
<p>Dr. Julius Tangus Rotich University council chairman</p> 	<p>Dr. Julius Rotich is the current Chairman of Chuka University Council. He was born on 18th 1954. He holds a Ph.D.in Operational Research from Lancaster University, MBA (UON) MSc (Sussex University), Bcom (UON). He is also a Certified Public Accountant of Kenya (CPAK). He is the immediate Director and Chief Executive Officer of the Kenya College of Communications Technology and the Secretary to the Board of the same College.</p>
<p>Hiram M. Kahiro Council Member</p> 	<p>Mr. Hiram Kahiro was born on 22nd April, 1972. He has worked in Public Administration for over 25 years. He previously served as District Officer, County Commissioner, County Secretary and Head of Public service at Nyandarua County Government. He is currently serving as the Secretary, Administration and Head of administration and support services at the National Treasury, Ag. CEO, State Officers and Public Officers Motor Car Loan Scheme Fund of the National Government, representative to the Cabinet Secretary as a Board Member of the Witness Protection Agency and the Civil Servants Housing Scheme Fund. He holds an MA and BA from The University of Nairobi. He serves in the Chuka University council as a representative to the Cabinet Secretary, the National Treasury and Planning.</p>
<p>Dr. George O. Kwedho Council Member</p> 	<p>Dr. George Kwedho was born on 21stMarch, 1959. He has over 35 years' successful experience in providing fiscal, strategic and operations leadership in public organizations. He holds a Ph.D. in environmental planning (University of Eldoret), and a master of Science degree from the same field. He is currently a managing consultant, FEPAN Global Agencies Company Ltd and is the Chairman of the Finance, Farms, Enterprise & general Purposes Committee of the Council</p>




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<p>Josephine Wambui Gitonga Council Member</p> 	<p>Josephine Wambui was born on 12th January, 1971. She serves as a child protection specialist at the “Save The Children International”. She also served as the programmer manager at parenting in Africa network. She holds a Bachelor of Arts degree and a Master degree in the same field from the University of Nairobi. She is the current chairperson of the Human Resource Development Committee of Chuka University Council.</p>
<p>Hellen Kiende Mungania Council Member</p> 	<p>Hellen Kiende was born on 5th October, 1972. She is an Advocate of the High Court of Kenya. She holds a Bachelor of Law degree in Corporate Law and a master of Law degree from the University Nairobi. She also holds a diploma in Law and a diploma in Human Resource Management. She is a Certified Corporate & Governance Auditor. She is a member of Human Resources Committee of Chuka University Council.</p>
<p>Andrew Mwitum Mugambi Council Member</p> 	<p>Andrew Mwitum was born on 18th April 1951. He is a full time consultant in Agribusiness and development. He also worked as a Senior Deputy Director in charge of Development Coordination in the Ministry of Agriculture. He holds BSc and MSc degrees in Agricultural Economics from Colorado State University). He is the chairperson of the Risk, Audit & Governance Committee of the Council.</p>
<p>Kennedy Morara Ontiti Council Member</p> 	<p>Ken Ontiti was born on 4th May, 1981. He holds PS K, Dip. (KSL), LL.M. (UoN), LLB. Hons (UoN). He is an advocate of the High Court of Kenya. He is currently the Group Company Secretary – ICEA LION Group, First Chartered Securities Limited Group and Mitchell Cotts Group. He is the Chairman of the Building and Development Committee of Chuka University Council.</p>

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<p>Dr. Wahome Rureri. Council Member</p> 	<p>Dr. Wahome Rureri was born on 10th March 1972. He holds a PhD in Business Administration (Strategic Management), MBA and a B.Ed. Science. He has over 10 years working experience in senior management positions in public service and currently working in the State Department for University Education and research. He currently Represents the Principal Secretary, State Department for University Education and Research in Chuka University Council.</p>
<p>Prof. D.K. Isutsa, Ph.D., Ag.Vice Chancellor/CEO & Secretary to the Council</p> 	<p>Professor Dorcas Isutsa was born on 8th August 1966. She served as the Deputy Principal of Chuka University College before it was elevated to a full-fledged University. She is the Deputy Vice Chancellor in Charge of Academics, Research and Students Affairs and the Acting Vice Chancellor/CEO. She holds a BSC (Egerton) and Ph.D. from Cornell University in USA.</p>

3. MANAGEMENT TEAM

Name of the Staff& Responsibility	Concise Description
<p>Prof. D.K. Isutsa, Ph.D., Ag. Vice Chancellor/Chief Executive Officer</p> 	<p>Professor Dorcas Isutsa was born on 8th August 1966. She served as the Deputy Principal of Chuka University College before it was elevated to a full-fledged University. She is the Deputy Vice Chancellor in Charge of Academics, Research and Students Affairs and the Acting Vice Chancellor/CEO. She holds a BSC (Egerton) and Ph.D from Cornell University in USA.</p>
<p>Prof. Henry Mutembei M'Ikiugu, (Ph.D.) Deputy Vice-Chancellor (AFP&D)</p> 	<p>Prof. Henry Mutembei M'Ikiugu was born on 16th August 1970. He served in University of Nairobi before joining Chuka University. He is the Current Deputy Vice Chancellor in Charge of Administration, Finance, Planning and Development. He is a Professor of Veterinary Reproduction and Obstetrics (Theriogenology).</p>
<p>Dr. Samwel Macharia Chege, Ph.D. Registrar (Academics)</p> 	<p>Dr. Samwel Macharia Chege was born on 22nd August 1978. He has served in various public and private institutions including Dedan Kimathi University of Technology where he served as an ISO 9001:2008 QMS coordinator before joining Chuka University. He holds B. ed Arts, PGD-HRM, Msc and Ph.D. from University of Science and Technology. He is the Registrar Academic Affairs</p>

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**Dr. Peter Opiayo Mabubi, (Ph.D.)
Registrar (Administration and Planning)**



Dr. Peter Opiayo Mabubi was born on 21st September 1971. He has served in various senior administrative positions in the Ministry of Education, KASNEB, Moi University and Pwani University where he served as Registrar (AF&P) before joining Chuka University in the same capacity. He holds B.eds (Arts), M.ed (Economics of Education), PGD-HRM and PhD (Economics of Education). He is the current Registrar-Administration and Planning.

**CPA. John K. Thuranira, MBA, CPA (K), CPS (K)
Finance Officer**



CPA. John K. Thuranira was born on 31st December, 1974. He served in various Companies and institutions as an Accountant before moving to Constituencies Development Fund (CDF) as a Fund Manager in Kigumo & Tetu Constituencies. He holds BCOM, MBA, (Egerton), CPA (K) and a CPS (K). He is the current Finance Officer, Chuka University.



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4. CHAIRMAN'S STATEMENT

It's with great honour that I present the Annual Report and Financial Statements for Chuka University for the year ended 30th June 2022. Since its establishment, Chuka University has continued to execute its mandate of generating, preserving and sharing knowledge for effective leadership in higher education, training, research and outreach through nurturing an intellectual culture that integrates theory with practice and innovation.

On behalf of University Council am happy to report that we have made remarkable progress through the strategic partnerships we forged with our key stakeholders in multi-pronged areas of development. In line with the University's strategic plan, Kenya's Vision 2030 and the Big Four Agenda, the council has garnered notable significant milestones.

Among the major infrastructural development that the council has initiated and continue to oversee are the Science and Technology Research Park, Students Male Hostel, Administration/Law Complex, Model Food Science Technology Complex and Ultra-modern library Complex. On Corporate Social Responsibility, Chuka University's efforts stand out in the country. The University has, amongst other activities, collaborated with stakeholders to facilitate the construction and upgrading of community roads and water supply. These critical projects to the local community include a bypass road to serve the community and the University, a Footbridge at Mbubui across river Nithi, Mucwa to Karuru road, and the Rukindu and Ndagani KK Mwendwa Water projects.

Chuka University will continue building synergies with its stakeholders including the National Government of the Republic of Kenya, The County Government, Local Community, International Community, University Council, Management, Senate, Our treasured Alumni, Staff and most importantly our Students. Together we are determined to build strong bridges to create new knowledge and innovations, produce top-notch researchers and experts in order to build a better world. Thank you all for your continued commitment, loyalty, hard work and peaceful co-existence.



Dr. Julius Tangus Rotich, Ph.D.
COUNCIL CHAIRMAN

5. REPORT OF THE CHIEF EXECUTIVE OFFICER

I am delighted to highlight the following major achievements accomplished during the year ended 30th June 2022;

i) Student Enrolment and Teaching

Chuka University continues to grow and carve a niche to attract top scholars. Currently, the University has over 17,000 students, spread over the four campuses in Chuka, Chogoria, Embu and Igembe. The University has graduated over 20,000 graduates since inception and has over 240 academic programmes cutting across certificate, diploma, bachelors, masters and doctoral levels. During the financial year 2021/2022, the University graduated 4,268 students. The increased student population has triggered business opportunities in the local community, thus helping transform the economic outlook of the region.

ii) Financial performance

In the Financial Year under review, the University Management has continued with the pursuit for prudent financial utilization in its bid to strengthen the institutional capacity as per the strategic objectives and core values. The financial position has continued to grow as demonstrated by comparatives in the financial statements. The net assets of the University grew to Kshs. 7.83 Billion in 2021/2022 financial year compared to the previous year of Kshs.7.79 Billion. To ensure high performance of our business processes, the University continued to embrace ISO 9001:2015 Quality Management System and Information Security Management System (ISMS). Chuka University also embraced the use Government Investment Management Information System (GIMIS), an online interface that enable sharing of monthly, quarterly, annual reports and budgets with the National treasury and other stakeholders.

iii) Education, Training, Research and outreach

The core business of the University is provision of quality education and research. In an endeavour to build research capacity, the University has acquired state-of-the-art scientific equipment. The University has continued to support staff and students to conduct research through the Internal Research Fund (IRF). The University also held its 8th International Research Conference in October 2021.

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iv) Infrastructure Development

Chuka University has grown tremendously over the years and the University has continued to invest in projects and programmes that support our students to realize their academic pursuits and dreams. Foremost in our Investments is research and teaching facilities. The University has invested in state of art research and teaching facilities and it offers market oriented and driven courses. This is evidenced by acquisition of Ultra-modern laboratory equipment and on-going construction of a Science and Technology Research Park and the Ultra-Modern Library Complex. In order to support agricultural research and production, we have continued to equip and develop university farms especially the irrigation infrastructure installed at Kairini farm. To support student accommodation, the university completed and commissioned a Modern Student Hostel (Phase 1) with a capacity of 968 Students. The Construction of Student Male Hostel Phase 2, Administration/Law complex and the Food Technology Tuition Complex are all at advanced stages and will be completed soon.

v) Human Resource

The University continues to invest in recruitment of highly qualified and experienced staff. We are proud of our academic excellence and the pervasive can-do attitude of staff that turns enthusiasm into success and ideas into a cutting edge practice.

In conclusion, may I convey my appreciation and gratitude to the university council, senate, management and the staff for their commitment to work and their timeliness and splendid effort that have seen the University realize its goal of becoming a premier University.

Finally, I would like to thank the government, local and international donors, suppliers and other service providers for their trust and guidance and continued cooperation.



Prof. D.K. Isutsa, Ph.D.,
Ag. Vice Chancellor/Chief Executive Officer

**6. STATEMENT OF ENTITY’S PERFORMANCE AGAINST
 PREDETERMINED OBJECTIVES**

Chuka University has ten strategic pillars and objectives within its Strategic Plan for the FY 2017/2018- 2021/2022. These strategic pillars are Academic Excellence; Research, Science, Technology and Innovation; Environmental Conservation and Renewable Energy; Infrastructure and Facilities Development; Financial Resource Mobilization and Utilization; Information Communication Technology Development; Governance, Leadership and Management; Human Resource Management; Student Welfare Services and Community Outreach and Linkages Chuka University develops its annual work plans based on the above 10 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Chuka University achieved the performance targets set for the FY 2021/2022 period for its 10 strategic pillars, as indicated below:

Strategic Pillar/The me/Issues	Objective	Key Performance Indicators	Activities	Achievements
Expansion of Relevant Market-Driven Programmes	Design, develop, implement and review academic programmes	New programmes	Designed programmes in line with changing technologies, job market and industrial needs	New Programmes developed as follows 3 Ph.D.4 Masters 9 Bachelors
Provision of Relevant Quality Education and Training	Appoint and retain qualified academic staff. Modernize learning environments	New appointments Modernized Environment	Appointed highly qualified and experienced staff. Implemented a virtual teaching and learning environment	16 lectures employed Trained 230 teaching staff and 50 postgraduate students on e-Learning.
Research, Science, Technology and Innovation	Generation and Dissemination of	Disseminated Research Findings	Staff Published research findings in peer-reviewed journals Share research Findings Release one journal issues	106) new refereed articles published. Organized one annual Conferences One journal released. One call communicated.11 staff

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	Research Findings		Communicate calls on Big Four Agenda. Support and permit staff to participate in the Big Four Agenda activities	proposals received and funded
Environmental Conservation and Renewable Energy	Enhancement of Environmental Conservation	Programmes/ Projects on environmental conservation.	Establish tree nurseries and plant trees Donated water pipes to community water project to assist access of clean drinking water	Over 500,000 tree seedling planted Donated water pipes to 2 community water project to assist access of clean drinking water
Infrastructure and Facilities Development	Development of Learning Facilities Construct high priority projects identified in the University Master Plan Identify the buildings and develop a schedule Improve access in buildings for PWDs	100% Progress report achieved as per targets set in the year. Projects ongoing 2 buildings maintained by painting and renovations done as scheduled. 2 lifts installed in student male hostel & 6 in the Admin Block Complex / Law School	Construct Main Administration Block Complex / Law School Construction of Food Science and Technology Complex Construct modern Science research park construct Students Male Hostel Wing B The above identified projects ongoing Developed and implemented a maintenance and renovation schedule Purchases and installed 6 friendly lifts for PWDs	Over 90% Progress report indicates the achievement of the progress of the building since. construction is ongoing Maintenance and renovation schedule developed and implemented 8 Lifts installed
Information, Communication and Technology	Increase the number of services offered to our stakeholders	Increase digitalization	Posted conference proceedings, events, news, advertisements and other documents Populated the University website with content and make it interactive	Website revamped Web ranking moved from position 33 to 28. 20. of LCDs and 20 of Computers and 6 smart boards procured

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	via the website. Utilize ICT in teaching and learning		Purchase teaching and learning ICT equipment: LCD projectors, computers and smart boards Introduce e-library service	procured.230 teaching staff and 50 postgraduate students in Moodle e-Learning Management System and Moodle development
Governance, Leadership and Management.	Adopt best corporate governance practices	Performed Activities	Constitute University committees. Sensitize staff on Vision, Mission, Core Values, policies, Strategic Plan, Statutes, Service and Accreditation Charter.	New committee members appointed.200 staff sensitized in various forums.
Human Resource Management	Review University Policies. Development Programmes. Employ, Appraise and promote Staff.	Performed Activities	Review and implement University policies Conducted training needs assessment New staff employed and Staff Review Conducted Staff appraised as per set targets.	4 policies reviewed 1 training needs assessment conducted Qualified staff reviewed New staff hired 1 performance appraisal & report done
Student Welfare Services	Production of Holistic Graduates	Programmes and projects	Inculcated utilization of peer mentorship services counseling services Strengthened	Offered two online life skills sensitization to students during first year orientation. Sensitization on career choices.4 mentorship programmes offered in the year.
Community Outreach and Linkages	Engagement in Priority Areas in Community Outreach	Projects/Programmes on community outreach.	The university developed and implemented community outreach programmes Offer improved plant and livestock farming extension and advisory services. Organized Medical Camps enabling locals access medical services	Constructed 5 foot bridges to assist community access services. 75 farmers trained on Agricultural Production and Livestock Nutrition Organized a medical camp in Marimanti & Chiakariga to assist local access medical services

7. CORPORATE GOVERNANCE STATEMENT

Chuka University is committed to exhibiting the best practices in all aspects of corporate governance as guided by the University Charter and the Mwongozo Code of Governance. The Mwongozo Code was established by the Government to provide guidance on effective leadership, governance and management of public resources. The Charter requires the University to have three separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities, as follows:

i) The Council

This is the governing body of the university. The Council comprises nine members as disclosed in pages 9 to 11. The council is constituted taking into account requirements of the sector, diversity of skills, age, value addition, gender, academic qualifications and experience necessary to help achieve the Universities goals and objectives. The Council is appointed by the Cabinet Secretary for Education.

As the governing body of the University, the Council has a responsibility of maintaining a sound system of internal controls that support the achievement of policies, aims and objectives, whilst safeguarding the public and other university resources. The University Council is vested with powers and authority by its Charter and the Universities Act, 2012. In discharging its mandate, the Council is guided by the Charter to effectively fulfil its corporate governance responsibility towards its stakeholders. In addition, it has adopted Guidelines on Corporate Governance developed by the Commission for University Education. During the financial year 2021/2022, the Council Secretary/ Chief Executive Officer/Vice Chancellor Prof. Erastus N. Njoka resigned and the council appointed Prof. D.K. Isutsa as the Acting Vice Chancellor/ Chief Executive Officer and Secretary to the Council.

The University also embraces the Public Officers and Ethics Act and the Mwongozo Code for State Corporations. The Council is also the executive governing body responsible for the academic policy and strategic direction of the University, including its external relations, and for the Administration of the University.

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The Council is responsible for the management of the University's finances and assets, in accordance with the Public Financial Management Act, 2012 and Public Financial regulations of 2015.

Meetings of the council

The meetings of the council were held during the financial year has tabulated in the table below:

Council Member Name	Council Meeting Date							Total
	30-07-21	08-12-21	27-01-22	08-02-22	28-02-22	20-04-22	05-06-22	
Dr. Julius T. Rotich	✓	✓	✓	✓	✓	✓	✓	7/7
Prof. Erastus N. Njoka	✓	✓	✓	✓	x	x	x	4/7
Prof.Dorcas K. Isusta	x	x	x	x	✓	✓	✓	3/7
Hiram M. Kahiro	✓	x	x	✓	✓	✓	✓	5/7
Dr.George O. Kwedho	✓	✓	✓	✓	✓	✓	✓	7/7
Josephine W.Gitonga	✓	✓	x	✓	✓	✓	✓	6/7
Hellen K. Mungania	✓	✓	✓	✓	✓	✓	✓	7/7
Andrew M. Mugambi	✓	✓	✓	✓	✓	✓	✓	7/7
Kennedy M.Ontiti	✓	✓	✓	✓	x	✓	✓	6/7
Dr. Wahome Rureri.	✓	✓	✓	✓	✓	✓	✓	7/7
Total	9	8	7	9	8	9	9	

During the financial year 2021/2022, the Council Secretary/ Chief Executive Officer/Vice Chancellor Prof. Erastus N. Njoka resigned and the council appointed Prof. D.K. Isutsa as the Acting Vice Chancellor/ Chief Executive Officer and Secretary to the Council.

Council Committees

To promote smooth running of its affairs, certain functions of the Council are delegated to its committees, which report to the Council.

These Committees include the following:

- i) Finance, Farm, Enterprise Company and General-Purpose Council Committee.
- ii) Audit, Governance and Risk Management Council Committee.

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- iii) Grievances Handling Appeals Council Committee.
- iv) Human Resources Management Council Committee.
- v) Building, Planning and Development Committee.
- vi) Sealing and Honorary Degree Council Committee.

All Committees of the Council have an appointed chairperson. The decisions and recommendations of these committees are formally reported to the Council.

Conflicts of Interests

The Council members have a statutory duty to avoid situations in which they have or may have interests that conflict with those of the Council. All transactions with all parties, directors or their related parties are carried out at arm's length. Council members are obligated to disclose to the Council any real or potential conflict of interest, which may come to their attention whether direct or indirect. During every Council meeting, an agenda item exists which requires members to make a declaration of any conflict of interest they may have in the business to be discussed. During the financial year 2021/2022, no conflicts of interest arose in conduct of Council business.

Remuneration of the Council

The members of the council, other than the Chief Executive Officer, do not receive a salary. They are however paid a sitting allowance for every meeting attended at the rate of Ksh. 20,000 per sitting. The Chairman and the Chancellor receives honoraria as stipulated in their appointment letters by the appointing authority. The committee members do not receive any remuneration apart from the reimbursement of expenses incurred while on the University duties. During the period under review, the University did not have a Chancellor, since no appointment had been made by the appointing authority.

Ethics and Conduct

The Council, Management and staff are required to conduct themselves with Integrity and professionalism in accordance with the Chuka University Code of Conduct and Ethics. The Code defines our ethical standards and holds us accountable for our business conduct This is key in ensuring that we do the right thing and are accountable at all times, while adhering to our standards and principles as we interact with customers, communities and other stakeholders.

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During the year under review, Chuka University continued to entrench a strong ethical conduct through training and sensitisation of staff, corruption risk assessments and enforcement of prevention measures. In addition, the Company has put in place various mechanisms for receiving complaints and making follow-ups on allegations and cases of unethical conduct. Objective analysis of reported cases is done and appropriate action instituted to control and mitigate the risk.

Governance Audit.

The University has a committee called Audit, Governance and Risk Management Committee. The committee's aim is to ensure the University complies with all relevant areas of corporate governance. The action points identified by the committee are implemented continuously.

ii) The Management Team

Members of the management team are appointed by the Council through a competitive process. The membership consists of the CEO/Vice Chancellor, the Deputy Vice Chancellor (Administration, finance, Planning and Development), Deputy Vice Chancellor (Academics, Research and student Affairs) Finance Officer, Registrar (Academics) and Registrar (Administration and Planning).

iii) The Senate

This is the academic authority of the University. It is composed of the Vice - chancellor, Deputy Vice Chancellors, Principals and Deputy Principal of Constituent Colleges, Deans, Directors, Chairmen of the Academic Departments, two Students' Representatives, Finance Officer, Registrar Academic, Registrar (Administration and Planning) and Faculty Representatives. Its role is to discuss and approve student results as well as students' discipline. The Senate is chaired by the Vice - Chancellor.

The Principal academic and administrative officer of the University is the Vice Chancellor who has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University.

8. MANAGEMENT DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides a broad overview of the Chuka University financial condition as at June 30, 2022, comparative information for the year ended June 30, 2021 and the significant changes from the previous years. Management has prepared the financial statements and related note disclosures along with this MD&A. The MD&A should be read in conjunction with the financial statements and related notes of the Chuka University.

The financial statement presentation consists of comparative Statement of Financial performance, statement of financial position, statement of changes in net assets, statements of cash flows, and accompanying notes for the June 30, 2022 and 2021 financial years. These statements provide information on the financial position of Chuka University and the financial activity and results of its operations during the years presented.

i) Operational and Financial Performance

In the statement of financial performance, the University self-generated an amount of **kshs.779 Million** as Appropriation in Aid, which was used to fund purchase of equipment, support construction projects and other University operations. The Government further funded the University operations with **Kshs.1.331 Billion**. During the year, the university incurred an expenditure of **Kshs2.088 Billion** hence realizing a **surplus of Kshs.22.35 Million**.

In our statement of financial position, the Net worth of the University continued to grow recording a **net worth of Kshs.7.836 Billion** up from **Kshs.7.791 Billion** in the financial year 2019/2020. The performance in the last five years is tabulated below;

Description	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Capital Funds	1,606,926,425	1,995,627,819	2,222,883,129	2,273,648,351	2,313,648,351
Accumulated Surplus	2,922,949,886	3,801,863,817	4,224,788,207	4,216,988,348	4,239,342,013
Revaluation Reserve	258,576,567	1,301,000,044	1,300,211,588	1,300,211,588	1,300,211,588
Total	4,788,452,878	7,098,491,680	7,747,882,924	7,790,848,287	7,853,201,952

Notably, the University Net Worth as continued to grow from **4.788 Billion** to **kshs.7.853 Billion** four years later.

ii) Key projects and investment decisions the entity is planning/implementing

Chuka University's five-year strategic plan sets out the key projects and investment decisions to be made in order to ensure that it meets its mandate. In its Quest to become Premier University for the provision of quality education, training and research for sustainable national and global development the University has embarked on implementation of four key strategic projects as envisaged in the master Plan. The projects are Ultra-Modern Science Research Park, Food Technology, Male hostel, Administration Block/ Law school and the Ultra-Modern Library. The Projects are currently at various stages of implementation.

iii) Compliance with statutory requirements

The university has complied with all the statutory rules and has not been penalised in any instance. The University has ensured that all the taxes are paid at the right time and all the statutory deductions deducted from staff salaries are remitted to the relevant offices in good time.

iv) Major Risks

Chuka University was not exposed to any major risk that can affect its operation

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Chuka University is an acknowledged local leader in social responsibility issues. The goal of the university is to use knowledge and resources to make a positive and decisive difference to people, organisations and the community. Below is an Outline of the organisation's policies and activities that promote sustainability;

i) Sustainability Strategy and Profile

Ensuring financial sustainability is one of the key objectives in our Corporate Strategic Plan. Key initiatives to ensure financial sustainability include prudence utilization and management of financial resources. The University has continued introducing market driven courses in its endeavour to expand revenue base and reduce over reliance on government capitation. This is in addition to meeting the economic needs. The recently introduced School of Law is a classical example of such initiatives.

ii) Environmental performance

Chuka University promotes programmes that help conserve the environment in full realization that communities depend on environment in many ways. Programmes that promote environmental conservation include;

Promoting Irrigation in arid communities

The university is constructing a water reservoir and irrigation system on its 500-acre Kairini farm for arid farming demonstrations units and teaching blocks to help people in the largely semi-arid county become food secure.

Promoting harvesting of solar energy

The University installed 40 solar panels in Students Male Hostel to harvest solar energy for use in the student hostels.

Soil Conservation

The institution bought soil scanners that measure the soil acidity and diagnose its fertility and project on the expected crop yield.

Environmental Assessments and Compliance

In compliance with environmental regulations, the Company conducts environmental and social impact assessments for all new infrastructure projects. In addition, we conduct environmental audits and monitoring for existing projects to ensure that they continue to be environmentally sustainable

Promoting environmental conservation and renewable energy through research.

Chuka University held an International Research conference with major emphasis in research on environmental conservation and renewable energy. In addition, the University offers research grants to promote research in environmental conservation and renewable energy.

iii) Employee Welfare

The university offers bursaries to staff and their dependants to support their education in institutions of higher learning. In addition, the University regularly reviews and promotes employees. The University continues to negotiate with staff through respective Union Chapter of UASU, KUSU and KUDHEIHA on practical ways of promoting employee welfare. During the financial year, the management and the unions began negotiations of Internal Collective Bargaining agreement (CBA) for 2017-2021 with aim of promoting employee welfare in and out of work place. The University has also operationalized General personal Accident (GPA) and Work Injury Benefits (WIBA) insurance covers to caution the employees against accidents.

iv) Market Place Practices

Chuka University aligned its procurement policies with the Constitution, the PFMA and Regulations, and the Procurement and Asset Disposal Act, 2015. The University ensures transparency in procurement of goods and services and ensures allocation of 30% of contracts are awarded to AGPO suppliers (Women, people with disabilities and the youth).

v) Community Social Responsibility/Community Engagements

Chuka University's efforts stand out in the country. The University has, amongst other activities, collaborated with stakeholders to facilitate the construction and upgrading of community roads and water supply. These critical projects to the local community include a bypass road to serve the community and the University, a Footbridge at Mbugui across river Nithi, Mucwa to Karuru road, and the Rukindu and Ndagani KK Mwendwa Water projects

10. REPORT OF THE COUNCIL

The Council submits the report together with the audited financial statements for the year ended June 30, 2022, which indicate the state of the University's affairs.

Principal activities

The principal activities of the University are to provide directly, or in collaboration with other institutions of higher learning, facilities for university education, the integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of citizens of Kenya.

Results

The results of the entity for the year ended June 30, 2022 are set out on pages 1 to 7 for financial statements and pages 8 to 50 for the notes to the financial statements.

University Council

The members of the Council who served during the year are shown on page ix to xi in accordance with the Universities Act, 2012.

Auditors

The Auditor General is responsible for the statutory audit of the University in accordance with the Article 229 of the Constitution of Kenya and the Public Audit Act 2015, which empowers the Auditor General to carry out the audit of the University for the year ended June 30, 2022.

By Order of the University Council



Prof. D.K. Isutsa, Ph.D.,
Ag. Vice Chancellor/Chief Executive Officer

11. STATEMENT OF COUNCILS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Council to prepare financial statements in respect of that University, which give a true and fair view of the state of affairs of the University at the end of the financial year/period and the operating results of the University for that year/period. The council is also required to ensure that the University keeps proper accounting records which disclose with reasonable accuracy the financial position of the University. The Council is also responsible for safeguarding the assets of the University.

The Council is responsible for the preparation and presentation of the University's financial statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the University; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Council accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Council is of the opinion that the University's financial statements give a true and fair view of the state of University's transactions during the financial year ended June 30, 2022, and of the University's financial position as at that date.

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The Council further confirm the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The University's financial statements were approved by the Board on 24th August 2022 and signed on its behalf by:



Prof. D.K. Isutsa, Ph.D.

Ag. Vice Chancellor/Chief Executive Officer

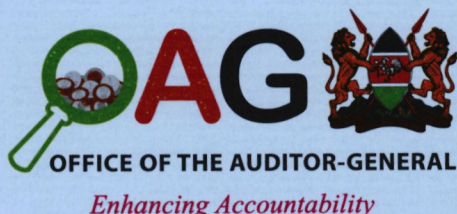


Dr. Julius Tangu Rotich, Ph. D

Council Chairman

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON CHUKA UNIVERSITY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Chuka University set out on pages 1 to 51, which comprise the statement of financial position as at 30 June, 2022 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 Chuka University as at 30 June, 2022, 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 Public Finance Management Act, 2012 and the Universities Act, 2016.

Basis for Qualified Opinion

Lack of Land Ownership Documents

The statement of financial position reflects Kshs.7,784,517,185 being the net book value for property, plant and equipment as at 30 June, 2022, which as disclosed at Note 29 to the financial statements, included Kshs.1,097,670,205 with respect to land. However, the value included Kshs.25,000,000 relating to a land parcel in Karingani/Ndagani and measuring 1.0 hectares for which, as previously reported, the University Management had not obtained ownership documents. Although the Management explained that the process of securing the documents was at an advanced stage, no documentary evidence was provided to confirm the ownership status.

In the circumstances, the ownership of the land of Kshs.25,000,000 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total budgeted income of Kshs.3,264,359,179 and actual amount realized during the year of Kshs.3,277,087,637 with resulting into budget overperformance of Kshs.12,728,458. Based on the approved estimates, the university's expenditure was well within budget.

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, I confirm that, nothing 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

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 the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and 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 Chuka University's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the Chuka University or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015. In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial

transactions and information reflected in the financial statements 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 University's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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 noncompliance. 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 applicable 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 Chuka University's ability to continue to sustain its services. 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 to sustain its services.
- 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 June, 2023


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13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30TH JUNE 2022

Chuka University
Statement of Financial Performance
For the Year Ended June 30, 2022

	Note	2021-2022 30th June 2022	2020-2021 30th June 2021
Revenue from Non-Exchange Transactions			
Exchequer Recurrent Grants	6	1,331,759,394	1,294,817,208
Other Revenue from Non-Exchange Transactions	7	441,766	463,205
Sub-total		1,332,201,160	1,295,280,413
Revenue from Exchange Transactions			
Tuition and Related Income	8	709,653,889	561,542,607
Income Generating Activities	9	14,867,638	23,979,917
Other Income Miscellaneous Income from Exchange transactions	10	54,265,165	60,832,160
Sub-Total		778,786,692	646,354,684
Total Revenue (A)		2,110,987,852	1,941,635,097
Expenses			
Employment Expenses	11	1,375,897,120	1,341,653,283
Council Expenses	12	11,866,227	7,825,946
Establishment Expenses	13	1,413,880	137,640
Repairs and Maintenance Expenses	14	44,407,744	22,047,800
Academic Expenses	15	186,353,638	121,837,331
Students and Alumni Expenses	16	16,788,858	8,635,140
Staff Welfare and Development Expenses	17	13,076,935	5,125,908
Finance costs	18	2,137,297	2,189,516
Depreciation and Amortization	19	227,063,532	205,354,061
Audit Fees	20	696,000	696,000
General Operating Expenses	21	208,836,919	225,107,128
Increase/Decrease in Provision for Doubtful Debts	22	96,037	24,207
Total Expenditure (B)		2,088,634,187	1,940,633,960
Surplus / Deficit (A-B)		22,353,665	1,001,137

The notes set out on pages 8 to 50 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the council by:



Prof. D.K. Isutsa, Ph.D.
 Ag. Vice Chancellor/CEO



CPA. John K. Thuraira
 ICPAK Member No.15343
Finance Officer



Dr. Julius Tangus Rotich, Ph.D.
Council Chairman

Chuka University
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14. STATEMENT OF FINANCIAL POSITION AS AT 30th JUNE 2022

Chuka University
Statement of Financial Position
As at June 30, 2022

	Note	30th June 2022	30th June 2021
		Ksh	Ksh
ASSETS:			
Current Assets			
Cash and Cash Equivalents	23	272,731,809	1,259,335,574
Receivables from Exchange Transactions	25	65,907,865	56,400,161
Prepayments	27	4,175,759	7,867,078
Inventory	28	17,083,733	11,451,688
Total		359,899,166	1,335,054,501
Non-Current Assets			
Tangible Assets -Property, Plant & Equipment	29	7,784,517,185	6,861,474,533
Intangible Assets - Comp Software	30	936,384	3,745,532
Biological Assets	31	12,109,800	13,206,050
Total		7,797,563,369	6,878,426,115
Total Assets		8,157,462,535	8,213,480,616
Liabilities:			
Current Liabilities:			
Payables from Exchange Transactions	32	87,520,233	238,171,414
Retention Work in Progress	32	216,740,350	184,460,915
Total Liabilities		304,260,583	422,632,329
Equity Funds & Reserves			
Capital Funds		2,313,648,351	2,273,648,351
Accumulated Surplus		4,239,342,013	4,216,988,348
Revaluation Reserve		1,300,211,588	1,300,211,588
Total Equity and Reserves		7,853,201,952	7,790,848,287
Total Equity and Liabilities		8,157,462,535	8,213,480,616

The Financial Statements set out on pages 1 to 7 were signed on behalf of the council by:



Prof. D.K. Isutsa, Ph.D.
 Ag. Vice Chancellor/CEO



CPA. John K. Thurania
 ICPAK Member No.15343
Finance Officer



Dr. Julius Tangus Rotich, Ph.D.
Council Chairman

Chuka University
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**15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30th
 JUNE 2022**

Chuka University
Statement of Changes in Net Assets/Equity
For the Year Ended June 30 , 2022

	Note	Capital Fund	Revaluation Reserves - PPE	Accumulated Surplus	Total
		Ksh	Ksh	Ksh	Ksh
2020-2021					
Balance as at 01/07/2020		2,222,883,129	1,300,211,588	4,224,788,207	7,747,882,925
Adj. of Prior Yr. dep	33			(8,800,996)	(8,800,996)
Adj. Opening Balances		2,222,883,129	1,300,211,588	4,215,987,211	7,739,081,929
Surplus for the Year		-	-	1,001,137	1,001,137
Capital Grants	34	50,765,222	-	-	50,765,222
Balance as at 30/06/2021		2,273,648,351	1,300,211,588	4,216,988,348	7,790,848,288
2021-2022					
Balance as at 01/07/2021		2,273,648,351	1,300,211,588	4,216,988,348	7,790,848,288
Surplus for the Year		-	-	22,353,665	22,353,665
Capital Grants		40,000,000	-	-	40,000,000
Balance as at 30/06/2022		2,313,648,351	1,300,211,588	4,239,342,013	7,853,201,952

16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30th JUNE 2022

Chuka University
Cash Flow Statement
For the Period Ended June 30, 2022

	2021/2022	2020/2021
Note	Kshs	Kshs
Profit / (Deficit) from Operations	22,353,665	1,001,137
Adjustments for Non-Cash Items in the Income Statement		
Depreciation and Amortization Charge for the	19	205,354,061
	249,417,197	206,355,198
Operating Capital Adjustments		
Increase/Decrease in Receivables -Exchange	25	(2,396,405)
Increase/decrease in Receivables - Non Exchange	26	110,826,558
Increase/Decrease in prepayments	27	(1,739,650)
Increase/Decrease in Inventory	28	13,055,876
Increase/Decrease in Payable from Exchange	32	78,881,085
Other adjustments		
Cash Flows Used in Operating Activities (A)	119,597,021	404,982,662
Cash flows from investing activities		
Acquisition Plant & Equipment	29	(50,691,921)
Acquisition of Motor Vehicles	29	(14,324,500)
Acquisition of Furniture & Fittings	29	(9,870,976)
Acquisition of Computer Hardware	29	(6,285,113)
Acquisition of Library Books	29	(1,696,857)
Acquisition of Intangible Assets	31	(1,591,651)
Capital Expenditure in Progress Paid	35	(850,158,162)
Cash Flows Used in Investing Activities (B)	(1,146,200,786)	(934,619,180)
Cash flows from Financing Activities		
Proceeds from Issue of Bonds	34	50,765,222
Net Change in Financing Activities (C)	40,000,000	50,765,222
Change in Cash and Cash	(986,603,765)	(478,871,296)
Reconciliation of Cash and Cash		
At Beginning of Period	23	1,259,335,574
At End of Period	23	1,259,335,574

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The Financial Statements set out on pages 1 to 7 were signed on behalf of the council by



Prof. D.K. Isutsa, Ph.D.
Ag. Vice Chancellor/CEO



CPA. John K. Thurania
ICPAK Member No.15343
Finance Officer



Dr. Julius Tangu Rotich, Ph.D.
Council Chairman

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17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30th JUNE 2022

Chuka University										
Statement of Comparison of Budget and Actual Amounts										
For the Period Ended June 30, 2022										
	Original Budget		Adjustments		Final Budget 2020/2021		Actual on Comparable Basis		Performance Difference	
	2021/2022	Kshs	2021/2022	Kshs	2021/2022	Kshs	2021/2022	Kshs	%	Note
INCOME										
GOK Recurrent Capitation	1,331,759,394		-		1,331,759,394		1,331,759,394		100	1
GOK Development Capitation	40,000,000		-		40,000,000		40,000,000		100	2
A-I-A / Internally Generated Funds	628,264,211		131,735,789		760,000,000		772,827,655		102	3
Committed Savings	1,259,335,574		(133,235,789)		1,126,099,785		1,126,099,785		100	4
Interest From Deposits	5,000,000		1,500,000		6,500,000		6,400,803		98	5
Total Revenue (A)	3,264,359,179		-		3,264,359,179		3,277,087,637		100	6
Expenses										
Employment Expenses	1,383,416,013		-		1,383,416,013		1,375,897,120		99	7
Council Expenses	13,000,000		(1,100,000)		11,900,000		11,866,227		100	8
Establishment Expenses	1,500,000		(15,000)		1,485,000		1,413,880		95	9
Repairs and Maintenance Expenses	30,000,000		14,410,000		44,410,000		44,407,744		100	10
Academic Expenses	165,374,034		20,985,966		186,360,000		186,353,638		100	11
Students and Alumni Expenses	10,500,000		6,332,821		16,832,821		16,788,858		100	12
Staff Welfare and Development	6,000,000		7,100,000		13,100,000		13,076,935		100	13
Finance Costs	1,200,000		1,000,000		2,200,000		2,137,297		97	14

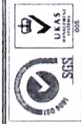


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Depreciation and Amortization	250,000,000	(22,047,787)	227,952,213	227,063,532	888,681	100	15
Audit Fees	1,392,000	(696,000)	696,000	696,000	-	100	16
General Operating Expenses	240,900,000	(32,000,000)	208,900,000	208,836,919	63,081	100	17
Provision for Doubtful Debts	1,000,000.00	(900,000)	100,000	96,037	3,963	96	18
Purchase of Food Stuff	10,000,000	4,840,000	14,840,000	14,838,034	1,966	100	19
Medical Drugs	2,500,000	2,090,000	4,590,000	4,586,637	3,363	100	20
Purchase of Plant Property and Equipment	147,577,132	(78,977,132)	68,600,000	68,547,812	52,188	100	21
Capital Projects	1,000,000,000	78,977,132	1,078,977,132	1,078,749,224	227,908	100	22
Total Expenditure(B)	3,264,359,179		3,264,359,179	3,255,355,894	9,003,285	100	23
Budget Surplus/Deficit (A-B)	-	-	-	21,731,743	21,731,743		24

Reconciliation of Budget Surplus and Surplus as Per the Statement of Financial Performance

Surplus as per the Statement of Comparison of Budget and Actual Amounts		21,731,743
Add		
Catering Expenses Accounted Separately Under IGU		14,838,034
Purchase of Medical Drugs Accounted Separately Under IGU		4,586,637
Purchase of Property, Plant and Equipment		68,547,812
Payment for Capital Projects		1,078,749,224
Less		
Savings Committed		1,126,099,785
GOK Development Capitation		40,000,000
Surplus as per the Statement of Financial Performance		22,353,665



18. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Chuka University is a public university established in 2013, under the Universities Act No. 42 of 2012. The Public Financial Management Act 2012, and the Public Financial Management Regulations 2015, governs the financial management of Chuka University. Chuka University is wholly owned by the Government of Kenya and is domiciled in Kenya. The University's principal activity is to provide directly, or in collaboration with other institutions of higher learning, facilities for university education, the integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of citizens of Kenya.

2. Statement of Compliance and Basis of Preparation

Chuka University financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the University.

The financial statements have been prepared in accordance with the PFM Act 2012, and PFM Regulation Act 2015, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

- ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.*

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

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Standard	Effective date and impact:
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i>

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Standard	Effective date and impact:
	<p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

iii. Early adoption of standards

Chuka University did not early – adopt any new or amended standards in year ended 2021/2022



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

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

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

The entity 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 the entity.

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

Rental income

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

b) Budget information

Chuka University budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under page 6 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income.

Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Chuka University is a public institution of higher learning, established under the Universities Act No. 42 of 2012. By the nature of its establishment and operations, Chuka University is a public entity that is not subject to income tax. The University does not engage in any unrelated trade or business. Therefore, no income taxes have been reported in the University's financial statements. Accordingly, no provision for income taxes is required.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales tax

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 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.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. University land is freehold property and not subjected to amortization. Depreciation on other property is charged so as to write off the value of the assets during their estimated useful life, using straight line method.

Assets are subjected to a full year's depreciation and amortization except those acquired within the last three months of the year. A gain or loss resulting from the disposal of property, plant and equipment arises where proceeds from disposal differ from its carrying amount. Those capital gains or losses are recognized in the statement of financial performance.

The annual rates are:

Buildings	2.5%
Machinery and Equipment	20%
Furniture and Fittings	12.5%
Motor Vehicles	25%
Computer & Computer peripherals	30%
Library Books	20%

f) Leases

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

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either

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finite or indefinite. Computer software is amortized on straight line basis at the rate of 30%.

h) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses.

Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

a) 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. Chuka University determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial

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measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity.

After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity 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 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 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).

b) 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. The Entity 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.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method

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- Finished goods and work in progress: cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

k) Provisions

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

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Contingent liabilities

The Entity 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.

m) Contingent Assets

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The Entity 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.

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Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The define 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.

After University inherited the former Eastern Campus of Egerton University, the staff opted to remain in the Egerton University Pension Scheme. The scheme is funded by contributions based on the basic salary from both employees and employer at a rate of 10% and 20% respectively. The University also contributes to the statutory National Social Security Fund (N.S.S.F.). This is a defined contribution scheme registered under N.S.S.F. Act. The University's obligations under this scheme are limited to specific contributions legislated from time to time and currently limited to a maximum of Ksh 200.00 per employee per month, while the employer contributes Ksh 200.00 per month.

p) Foreign currency transactions

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

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred.



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Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

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

s) Service concession arrangements

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

t) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

u) Comparative figures

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

v) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

5) SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION

UNCERTAINTY

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual 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 the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes

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- 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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 22 & 25

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. Chuka university management has provided for a provision for bad debts at the rate of 1% of the Receivables from exchange transactions.

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6) Exchequer Recurrent Grants

Description	2021-2022	2020-2021
	Kshs	Kshs
Ministry of Education-Exchequer Recurrent Grants		
July	110,700,084	107,901,434
August	110,700,084	107,901,434
September	110,700,084	107,901,434
October	110,700,084	107,901,434
November	110,700,084	107,901,434
December	110,700,084	107,901,434
January	110,700,084	107,901,434
February	110,700,084	107,901,434
March	110,700,084	107,901,434
April	110,700,084	107,901,434
May	112,379,275	107,901,434
June	112,379,279	107,901,434
Total	1,331,759,394	1,294,817,208

7) Other Revenue from Non-Exchange Transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Other Revenue from Non-Exchange Transactions		
Surcharges & Fines	441,766	233,045
Fines for Damages	-	230,160
Total	441,766	463,205

8) Tuition and Related Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Revenue from Exchange Transactions		
Income from Diploma & Certificates Courses	163,678,900	178,210,737
Income from Government Sponsored Students	394,805,400	293,689,339
Income from Self-Sponsored Undergraduate Students	124,125,500	156,796,409
Income from Self-Sponsored Postgraduate Students	62,362,200	27,189,151
Total Income Earned	744,972,000	655,885,636
Less: Non Tuition Income and prepaid fees Included		
Caution Money	(8,452,000)	(8,420,000)
Medical Fees	(18,514,000)	(21,592,000)
Accommodation Charges	-	(4,491,500)
Application Fees	-	(1,898,000)
Fines for Damages	-	(230,160)
Student Union	(5,641,000)	(5,588,100)
Alumni Collections	-	(4,491,000)
Tuition Fees Prepaid	-	(72,411,444)
Tuition Fees Refund	(2,711,111)	(1,342,300)
Tuition Fees Receivable	-	26,121,475
Total Tuition & Related Income for the Year	709,653,889	561,542,607

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9) Income Generating Activities

Description	2021-2022	2020-2021
Income Generating Activities	Kshs	Kshs
IGU Income Catering	218,208	1,043,703
IGU Income Medical	12,312,024	18,596,383
IGU Income Farm	132,752	573,261
Hillside Hotel	2,204,654	3,766,570
Total	14,867,638.00	23,979,917

10) Other Miscellaneous Income from Exchange Transactions

Description	2021-2022	2020-2021
Other Miscellaneous Income from Exchange Transactions	Kshs	Kshs
Wear and Tear	396,544	30,150
Hire of Facilities	379,605	421,930
Disposal of Miscellaneous Items	266,135	302,280
Accommodation Charges	14,437,200	4,491,500
Application Fees	2,322,649	1,898,000
Charges for A.I. Services	-	50,430
Conferences & Seminars	1,350	-
Library Subscription	-	3,000
Research Funds	2,602,210	14,544,164
Rental Income	10,051,588	11,174,835
Advertising Income	-	50,000
Sale of Water	500,000	-
Interest on Bank Deposit	6,400,803	27,173,222
Remarking	8,500	5,000
Printing and Photocopy	24,331	16,291
Basic Needs	294,250	668,708
Sale of T-shirt	3,000	2,650
Academic gowns and graduation Fee	16,577,000	-
Total	54,265,165	60,832,160

11) Employment Expenses

Description	2021-2022	2020-2021
Employment Expenses	Kshs	Kshs
Personnel Emoluments:		
July	103,829,970	98,953,028
August	104,581,973	170,090,316
September	105,675,941	99,469,318
October	107,202,010	99,164,893
November	106,199,490	98,929,378
December	106,616,756	99,232,699
January	118,702,476	109,539,084
February	108,392,835	99,339,007
March	112,817,283	98,991,879



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April	111,268,836	100,254,022
May	113,923,541	101,079,672
June	112,748,138	100,965,270
Total	1,311,959,249	1,276,008,566
Casual Labour Expenses	12,106,437	8,419,558
Gratuity Expense	33,670,295	45,372,951
Hospitalization & Medical Expenses	18,161,139	11,852,208
Total employment Expenses	1,375,897,120	1,341,653,283

12) Council Expenses

Description	2021-2022	2020-2021
Council Expenses	Kshs	Kshs
Sitting Allowance, Lunch Accommodation & Mileage	11,866,227	7,825,946
Total	11,866,227	7,825,946

13) Establishment Expenses

Description	2021-2022	2020-2021
Establishment Expenses	Kshs	Kshs
Teaching Demonstration and Watering Units	1,413,880	137,640
Total	1,413,880	137,640

14) Repairs and Maintenance Expenses

Description	2021-2022	2020-2021
Repairs and Maintenance Expenses	Kshs	Kshs
Vehicle Repairs/Transport Operating Expenses	11,727,989	11,354,300
Fuel & Oils-Generator	2,035,405	1,153,890
Grounds Maintenance	534,020	500,139
Computer/Software Maintenance	2,986,274	1,022,032
Plant & Equipment	1,289,377	1,490,191
Furniture	84,430	70,800
Buildings	25,750,249	6,456,448
Total	44,407,744	22,047,800

15) Academic Expenses

Description	2021-2022	2020-2021
Academic Expenses	Kshs	Kshs
Part- Time Lect. Expenses	113,429,408	82,360,203
Graduation Expenses	20,119,291	14,420,423
Teaching Practice & Field Attachment All.	27,684,900	11,024,880
Academic Field Trips	1,842,640	1,083,060
Teaching Materials	4,073,732	4,399,339
Exam Supervision	6,192,045	2,176,910
Travelling & Subsistence (Part Time Lecturers)	136,000	172,000
Other Research Expenses	12,875,622	6,200,516
Total Academic Expenses	186,353,638	121,837,331

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16) Students and Alumni Expenses

Description	2021-2022	2020-2021
Students and Alumni expenses	Kshs	Kshs
Student Welfare Expenses	14,582,144	7,545,585
Student Work Study Expenses	1,712,537	573,295
Basic Needs Expense	494,177	516,260
Total	16,788,858	8,635,140

17) Staff Welfare & Development Expenses

Description	2021-2022	2020-2021
Staff Welfare & Development expenses	Kshs	Kshs
Staff Development -	187,500	186,300
Staff Welfare Expenses	9,090,760	338,708
Staff Education Fund-Tuition Waiver	3,798,675	4,600,900
Total	13,076,935	5,125,908

18) Finance Costs

Description	2021-2022	2020-2021
Finance Cost	Kshs	Kshs
Bank Charges Interest	2,137,297	2,189,516
Total Finance Cost	2,137,297	2,189,516

19) Depreciation and Amortization

Description	2021-2022	2020-2021
Depreciation and Amortization	Kshs	Kshs
Buildings	56,900,682	56,678,260
Plant & Equipment	84,896,462	68,824,811
Motor Vehicles	39,328,625	39,328,625
Furniture & Fittings	12,355,174	11,503,557
Computer Hardware	26,043,606	21,543,100
Library Books	4,729,835	4,666,560
Amortization of Computer Software	2,809,148	2,809,148
Total Dep & Amortization	227,063,532	205,354,061

20) Audit Fees

Description	2021-2022	2020-2021
Audit Fees	Kshs	Kshs
Audit Fees	696,000	696,000
Total Audit Fees	696,000	696,000

21) General Operating Expenses

Description	2020-2021	2020-2021
General Operating Expenses	Kshs	Kshs
General Insurances	14,095,164	16,846,108
Property Insurances	2,216,916	2,384,923
Travelling and Subsistence for staff	12,870,115	13,032,305

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External Travelling	1,081,171	658,945
University Committees' Expenses	3,490,465	1,712,520
Animal Breeding Expenses	14,800	13,050
Postage and Telephone	1,985,160	1,469,028
Electricity Expenses	15,201,345	13,273,660
Honorarium	-	317,660
Water Supply and Sewerage Expenses	1,062,473	3,069,580
Staff Uniforms	1,412,580	1,932,550
Newspapers Journals and Videos	1,040,070	948,630
Office Stationery	14,213,362	11,533,534
Subscriptions to Nursing Council	-	57,300
General Subscription	4,439,339	4,207,224
Campuses Expenses	4,639,637	5,398,243
Professional Services- ISO	413,560	400,480
Hire of Security Services	20,237,500	21,893,250
Hire of Cleaning Services	10,773,000	11,900,766
Internet Expenses	28,359,464	15,046,312
Legal Fees	2,537,488	1,227,966
Professional Services	-	316,900
Official Entertainment	2,005,658	2,211,113
Conferences & Seminars	6,290,491	6,922,277
Cleaning Materials	517,470	1,968,341
Corporate Social Responsibility	6,182,109	28,559,890
Quality Assurance fees -CUE Subscription	3,435,000	344,000
Farm general expenses	5,811,100	1,671,660
Advertisement & Publicity	19,660,190	42,665,378
Exhibitions and Local Shows	12,794,692	1,200,000
Property/Land rates	411,500	411,500
KUCCPS Placement fees	4,710,000	5,031,000
Landscaping of University Grounds	5,034,686	712,721
Nairobi Campus Expense	508,164	-
Purchase of Games Equipment	-	1,871,615
Wildlife Conservancy	-	-
Covid 19 Expenses	466,750	3,896,699
compensation Expenses	925,500	-
Total	208,836,919	225,107,128

22) Provision for Doubtful Debts

Description	2021-2022	2020-2021
Provisions for Doubtful Debts	Kshs	Kshs
Bal B/F 1st July 2021	569,699	545,492
Increase/Decrease During the Year Period	96,037	24,207
Balance as at 30th June 2021	665,736	569,699

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23) Cash and Cash Equivalents

Description	2021-2022	2020-2021
Cash & Cash Equivalents	Kshs	Kshs
KCB - Fees Collection A/C - 1103755439	15,450,932	54,655,115
KCB - Operations A/C 1113791985	14,715,810	83,460,422
Equity IGU a/c 0293981713	20,171,030	20,597,182
Equity - Catering Dept. A/C 0210298189098	7,957,257	9,619,548
Equity fees collection A/C 0210261453469	12,987,737	282,198,687
Equity Research Fund-KEPAP 0210262271525	64,236,577	67,292,462
Equity TOWA A/C 0210298770822	2,308,187	20,198,618
Cooperative Bank -Development01120058189900	3,844,839	3,442,395
Cooperative- Fees Collection A/C 01129058189900	6,171,444	45,494,885
Family Bank- Fees Collection A/C 054000002641	18,065,820	267,733,352
Barclays Bank A/C 2035727666	952,473	43,037,449
Standard Chartered Bank A/C 0102024755200	34,638,521	29,235,019
Equity Operations A/C 0210261453459	25,333,268	24,817,268
Equity Gratuity 0210263739640	23,376,530	75,934,013
Equity Retention 0210263739666	22,521,384	231,619,159
Total	272,731,809	1,259,335,574

24) Detailed Analysis of the Cash and Cash Equivalents

Financial institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current account			
KCB - Fees Collection	1,103,755,439	15,450,932	54,655,115
KCB - Operations	1,113,791,985	14,715,810	83,460,422
Equity IGU a/c	0210293981713	20,171,030	20,597,182
Equity - Catering Dept.	0210298189098	7,957,257	9,619,548
Equity fees collection A/C	0210261453469	12,987,737	282,198,687
Equity Research Fund-KEPAP	0210262271525	64,236,577	67,292,462
Equity Hillside A/C	0210298770822	2,308,187	20,198,618
Cooperative Bank -Development A/C	01120058189900	3,844,839	3,442,395
Cooperative- Fees Collection A/C	01129058189900	6,171,444	45,494,885
Family Bank- Fees Collection A/C	054000002641	18,065,820	267,733,352
Barclays Bank	2035727666	952,473	43,037,449
Standard Chartered Bank	0102024755200	34,638,521	29,235,019
Equity Operations A/C	0210261453459	25,333,268	24,817,268
Equity Gratuity	0210263739640	23,376,530	75,934,013
Equity Retention	0210263739666	22,521,384	231,619,159
Sub-total		272,731,809	1,259,335,574

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b) On - call deposits			
N/A	-	-	-
N/A	-	-	-
Sub- total			
c) Fixed deposits account			
N/A	-	-	-
N/A	-	-	-
Sub- total			
d) Staff car loan/ mortgage			
N/A	-	-	-
N/A	-	-	-
Sub- total			
e) Others(specify)			
Cash in transit	-	-	-
cash in hand	-	-	-
Mobile money accounts	-	-	-
Sub- total			
Grand total		272,731,809	

25) Receivable from Exchange Transactions

Description	2021-2022	2020-2021
Receivable from Exchange Transactions	Kshs	Kshs
Students Fees Receivable	41,858,584	34,735,852
IGU: Catering	-	1,355,230
Medical	-	70,686
Hill Side Hotel	348,150	-
Imprest Debtors	-	-
Rental Income Receivable	24,366,867	20,808,092
Insurance Income Receivable	-	-
Total Receivables from Exchange Transactions	66,573,601	56,969,860
Less: Impairment/Provision for Doubtful Debts	(665,736)	(569,699)
Net Receivables from Exchange Transactions	65,907,865	56,400,161

26) Receivable from Non-Exchange Transaction

Description	2021-2022	2020-2021
Receivable from Non-Exchange Transaction	Kshs	Kshs
Exchequer Recurrent Grant	-	-
Total	-	-

27) Prepayments

Description	2021-2022	2020-2021
Prepayments	Kshs	Kshs
Prepaid General Insurance	3,992,973	7,867,078
Property Insurance	182,786	-
Total	4,175,759	7,867,078

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28) Inventory

Description	2021-2022	2020-2021
Inventory	Kshs	Kshs
Main Stores	8,168,760	8,954,326
Medical Supplies	1,877,358	1,233,933
Farm Supplies & Consumables	5,539,883	266,076
Hill Side Hotel Supplies and Consumables	194,536	184,304
Catering Supplies & Consumables	1,303,196	813,049
Total	17,083,733	11,451,688

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29) Tangible Assets, Property, Plant and Equipment Schedule

PPE Schedule	Land	Buildings	2.50%	Plant & Equipment	20%	Motor Vehicle	25%	Furniture & Fittings	12.50%	Comp Hardware	30%	Library Books	20%	Work In Progress	Totals
Particulars															
2020/2021															
Cost/Value as at 1.7.20	1,083,957,205	2,267,130,414	-	297,392,631	142,990,000	14,324,500	79,105,894	66,586,604	21,658,443	2,321,700,822	850,158,162	6,280,522,013			
Additions	-	8,896,875	-	50,691,921	14,324,500	-	9,870,976	6,285,113	1,696,857	850,158,162	(57,947,446)	933,027,529			
W.I.P Capitalized	13,713,000	-	-	35,337,571	-	-	-	-	-	-	-	-			
Cost At 30th June 2021	1,097,670,205	2,276,027,289	157,314,500	383,422,123	157,314,500	157,314,500	88,976,870	72,871,717	23,355,300	3,113,911,538	7,213,549,542				
Depreciation and impairment															
Acc. Dep At 1 July 2020	-	37,023,006	35,747,500	34,607,241	8,800,996	-	9,284,552	19,975,981	4,090,820	-	-	-	140,729,100		
Prior yr. Adj. on Plant and Equip	-	-	-	-	-	-	-	-	-	-	-	-	8,800,996		
Adj Acc.Dep at 01.07.20	-	37,023,006	35,747,500	43,408,237	8,800,996	-	9,284,552	19,975,981	4,090,820	-	-	-	149,530,096		
Dep charge for the year	-	56,678,260	39,328,625	68,824,811	39,328,625	75,076,125	20,788,109	41,519,081	4,666,560	-	-	-	202,544,913		
Dep as at 30 June 2021	-	93,701,266	75,076,125	112,233,048	75,076,125	107,242,500	69,821,342	46,610,623	17,567,623	2,321,700,822	6,139,792,913	352,075,009			
NBV as at 30.06.2020	1,083,957,205	2,230,107,408	157,314,500	262,785,390	157,314,500	157,314,500	68,188,761	31,352,636	14,597,920	3,113,911,538	6,861,474,533				
NBV as at 30.06. 2021	1,097,670,205	2,182,326,023	157,314,500	271,189,075	157,314,500	157,314,500	68,188,761	86,812,020	23,649,175	4,080,174,455	8,360,846,578				
2021-2022															
Cost/Value as at 1.7.21	1,097,670,205	2,276,027,289	157,314,500	383,422,123	157,314,500	157,314,500	88,976,870	72,871,717	23,355,300	3,113,911,538	7,213,549,542				
Additions	-	-	-	43,189,769	-	-	11,123,865	13,940,303	293,875	1,078,749,224	1,147,297,036				
W.I.P Capitalized	-	112,486,307	-	-	-	-	-	-	-	(112,486,307)	-				
Cost At 30th June 2022	1,097,670,205	2,388,513,596	157,314,500	426,611,892	157,314,500	157,314,500	100,100,735	86,812,020	23,649,175	4,080,174,455	8,360,846,578				
Depreciation and impairment															
Acc. Depr At 1 July 2021	-	93,701,266	75,076,125	112,233,048	8,800,996	-	20,788,109	41,519,081	8,757,380	-	-	-	352,075,009		
Dep charge for the year	-	56,900,682	39,328,625	84,896,462	39,328,625	75,076,125	12,355,174	26,043,606	4,729,835	-	-	-	224,254,384		
Dep as at 30 June 2022	-	150,601,948	114,404,750	197,129,510	114,404,750	114,404,750	33,143,283	67,562,687	13,487,215	3,113,911,538	6,861,474,533	576,329,393			
NBV as at 30. 06. 2021	1,097,670,205	2,182,326,023	157,314,500	271,189,075	157,314,500	157,314,500	68,188,761	31,352,636	14,597,920	4,080,174,455	7,784,517,185				
NBV as at 30.06. 2022	1,097,670,205	2,237,911,648	157,314,500	229,482,382	157,314,500	157,314,500	66,957,452	19,249,333	10,161,960	4,080,174,455	8,360,846,578				



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30) Intangible Assets, Computer Software Schedule

Description	Kshs
Year 2020/2021	
Cost/Value at 1/7/2020	9,363,828
Additions/adjustments	-
Cost/Value at 30/06/2021	9,363,828
Accumulated Amortization 1/07/2020	2,809,148
Amortization Charge for the Period	2,809,148
Accumulated Amortization 30/06/2021	5,618,296
Carrying amount as at 30 June 2020	6,554,680
Carrying amount as at 30 June 2021	3,745,532
Year 2021/2022	
Cost/Value at 1/7/2021	9,363,828
Additions/adjustments	-
Cost/Value at 30/06/2022	9,363,828
Accumulated Amortization 1/07/2021	5,618,296
Amortization Charge for the Period	2,809,148
Accumulated Amortization 30/06/2022	8,427,444
Carrying amount as at 30 June 2021	3,745,532
Carrying amount as at 30 June 2022	936,384

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31) Biological Assets

ITEM	UNIT	QNT Y	COST/ UNIT	2021/2022	QN TY	COST/ UNIT	2020/2021
CROPS							
Bananas	Bunches	2,000	300	600,000	1,800	300	540,000
Trees	Plants	4,000	1,000	4,000,000	3,300	1,000	3,300,000
Napier grass	Pickups	115	4,000	460,000	150	3,000	450,000
Boma Rhodes	Tons	55	4,000	220,000	100	12,000	1,200,000
Sudan Grass	Tons	15	4,000	60,000	108	3,500	378,000
Green Grams	Kgs	1,040	125	130,000	225	130	29,250
Cow Peas	kgs	400	100	40,000	135	100	13,500
Maize	Bags	100	5,000	500,000			
VEGETABLES							
Spinach	Plots	1	2,000	2,000	3	2,000	6,000
Kales	Plots	3	2,000	6,000	4	1,000	4,000
Chinese Cabbage	Plots	1	2,000	2,000			
Black night Shade	Plots	1	4,000	4,000	-	-	-
Comfrey	Plots	1	1,000	1,000	-	-	-
Cauliflower	Plots	1	2,000	2,000			
Saghet	Plots	-	-	-	3	2,000	6,000
Arrow roots	Wet Beds	-	-	-	2	2,000	4,000
Tomatoes	Plots	-	-	-	-	-	-
Spider Plants	Plots	3	2,000	6,000	3	2,000	6,000
Amaranth	Plots	2	4,000	8,000	4	2,000	8,000
Indigenous Vegetables	Plots	-	-	-	-	-	-
LIVESTOCK							
Cows(exotic)	Numbers	-	-	-	-	-	-
Calves	Numbers	2	50,000	100,000	4	40,000	160,000
Pedigree heifers	Numbers	-	-	-	5	240,000	1,200,000
Cows in milk	Numbers	6	250,000	1,500,000	-	-	-
Mature Dairy cows	Heads	2	250,000	500,000	5	250,000	1,250,000
Steers	Heads	-	-	-	-	-	-
Bulls	Heads	2	80,000	160,000	3	80,000	240,000
Young heifers	Heads	1	40,000	40,000	-	-	-
Young bulls	Heads	2	30,000	60,000	2	30,000	60,000
Calf heifers	Heads	2	30,000	60,000	-	-	-

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INDIGENOUS CATTLE							
Mature Males	Heads	4	80,000	320,000	5	80,000	400,000
Mature Females	Heads	7	60,000	420,000	15	60,000	900,000
Young Bulls	Heads	8	15,000	120,000	3	15,000	45,000
Young Heifers	Heads	9	30,000	270,000	14	25,000	350,000
CALVES							
Males	Heads	2	10,000	20,000	-	-	-
Females	Heads	4	15,000	60,000	-	-	-
GOATS							
Billy (Mature Males)	Heads	50	8,000	400,000	60	10,000	600,000
Nanny (Mature Females)	Heads	123	6,000	738,000	73	8,000	584,000
YOUNG GOATS							
Does (Young females)	Heads	21	3,000	63,000	50	2,500	125,000
Kids Males (Buckiling)	Heads	16	2,500	40,000	27	2,000	54,000
Kids Females (Doeling)	Heads	9	3,000	27,000	23	1,500	34,500
Kids	Heads	25	3,000	75,000	10	1,000	10,000
SHEEP							
Males	Heads	3	4,000	12,000	1	4,000	4,000
Females	Heads	2	3,500	7,000	5	3,500	17,500
LAMB							
Males	Heads	-	-	-	1	1,500	1,500
Females	Heads	1	2,000	2,000	1	2,000	2,000
PIGS							
Boars(Males)	Heads	-	-	-	1	35,000	35,000
Sows (Female)	Heads	13	30,000	390,000	2	30,000	60,000
Piglets	Heads	14	3,200	44,800	9	3,200	28,800
Weaners	Heads	-	-	-	29	10,000	290,000
LLAMA							
Males	Heads	2	120,000	240,000	2	120,000	240,000
Females	Heads	4	100,000	400,000	5	100,000	500,000
Cria	Heads	-	-	-	1	70,000	70,000
TOTALS				12,109,800			13,206,050

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32) Payables / Accruals from Exchange Transactions

Description	2021-2022	2020-2021
Payables / Accruals from exchange transactions	Kshs	Kshs
Accruals from General Creditors	7,086,375	13,388,408
Part-Time Lecturers-Wages & Salaries Accrued	2,695,391	9,939,727
Student Caution Money Payable	25,333,268	24,817,268
Audit Fees Payable	696,000	1,488,000
Staff Gratuity Payable	25,388,899	74,602,365
Prepaid Tuition Income	25,781,117	112,627,469
Hill side Hotel	539,183	1,308,177
Sub Total	87,520,233	238,171,414
Add		
Retention for W.I.P Payable	216,740,350	184,460,915
Total	304,260,583	422,632,329

33) Adjustment of prior Year Accumulated depreciation on Plant and Equipment

Item	2021-2022	2020-2021
	Kshs	Kshs
Adjustment of Depreciation Charge on Plant and Equipment		
Reported Accumulated Depreciation	-	45,081,274
Recomputed	-	36,280,278
Depreciation Under charge	-	8,800,996

34) Exchequer Capital Grants

Description	2021-2022	2020-2021
Exchequer Capital Grants	Kshs	Kshs
Ministry of Education		
1st Disbursement	20,000,000	50,765,222
2nd Disbursement	20,000,000	-
3rd Disbursement	-	-
Total	40,000,000	50,765,222

35) Work in progress

Description	2021-2022	2020-2021
Work in Progress	Kshs	Kshs
Male Hostel Wing A	41,617,953	6,153,428
Professional Fees Administration Block	5,392,625	33,853,667
Professional Fees Science Research Park	56,929,585	74,266,726
Administration Block	137,465,632	111,754,529
Food Technology Block	68,419,379	48,084,618
Science Research Park	430,863,334	191,758,447
Perimeter Fence Phase IV- Sec IV	-	1,260,344
Installation of Lifts	-	500,981
Jacuzzi & Steam Bath-Recreation Centre	-	996,500
Perimeter Fence Phase V and Road Leveling	-	1,043,759
Proposed 3000cm Reinforced Concrete Water Reservoir	1,022,834	8,169,522
Proposed Male Hostel (Wing B)	54,225,193	81,142,629
Acquisition of University Neighboring Land	-	12,363,000

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Electric Fence at Kairini Farm	7,791,050	-
Civil Works at Kairini Farm	-	15,337,571
Refurbishment of Embu, Chogoria & Igembe Campuses	23,153,064	24,107,802
Electric fence at Kairini(Phase 1& 2)	-	3,137,703
Consultancy services for proposed Ultra-Modern Library Block	92,666,314	113,454,234
Professional service Kairini Irrigation Project	-	970,000
Proposed perimeter wall Phase 6 section 1	-	2,585,106
Proposed perimeter wall Phase 6 section 2	-	6,537,611
Proposed University Monument	-	2,948,083
Proposed Upgrading of University Access road	32,932,334	80,261,613
Proposed Mechanical Workshop	609,972	4,693,961
Refurbishment of Elimu Plaza	6,813,764	2,707,851
Proposed 200KVA Generator at Igembe Campus	-	3,110,000
Proposed Bulky water and irrigation system at Kairini Farm	4,055,935	18,958,477
Water intake and piping at Kairini	17,624,235	-
Mwanjate farm fencing	7,636,900	-
Acquisition and relocation of chiefs office	20,369,380	-
Construction of proposed Ultra-Modern Library	69,159,741	
Total	1,078,749,224	850,158,162

36) FINANCIAL RISK MANAGEMENT

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

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

(i) Credit risk

The University has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the council. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

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

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	Total amount	Fully	Past	Impaired
		Performing	Due	
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Receivables from Exchange Transactions	65,907,865	65,907,865	Nil	Nil
Receivables from Non-Exchange Transactions	-	-	Nil	Nil
Bank Balances	272,731,809	272,731,809	Nil	Nil
Total	338,639,674	338,639,674	Nil	Nil
At 30 June 2021	Nil	Nil	Nil	Nil
Receivables from Exchange Transactions	56,400,161	32,724,009	23,676,152	Nil
Receivables from Non-Exchange Transactions	Nil	Nil	Nil	Nil
Bank Balances	1,259,335,574	1,259,335,574	Nil	Nil
Total	1,315,735,735	1,292,059,583	23,676,152	

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The council sets the entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

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(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the University Council, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	
	Kshs	Kshs	Kshs	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade payables	304,260,583	Nil	Nil	304,260,583
Current portion of borrowings	Nil	Nil	Nil	Nil
Provisions	Nil	Nil	Nil	Nil
Deferred income	Nil	Nil	Nil	Nil
Employee benefit obligation	Nil	Nil	Nil	Nil
Total	304,260,583	Nil	Nil	304,260,583
At 30 June 2021				
Trade payables	422,632,329	Nil	Nil	422,632,329
Current portion of borrowings	Nil	Nil	Nil	Nil
Provisions	Nil	Nil	Nil	Nil
Deferred income	Nil	Nil	Nil	Nil
Employee benefit obligation	Nil	Nil	Nil	Nil
Total	422,632,329	Nil	Nil	422,632,329

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(iii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates, which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

Chuka University did not have a foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

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The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The University analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable

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inputs reflect the University's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The entity considers relevant and observable market prices in its valuations where possible.

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1 Kshs	Level 2 Kshs	Level 3 Kshs	Total Kshs
At 30 June 2022				
Financial Assets				
Quoted equity investments	Nil	Nil	Nil	Nil
Non- financial Assets				
Investment property	Nil	Nil	Nil	Nil
Land and buildings	3,335,581,853		Nil	3,335,581,853
Total	3,335,581,853		Nil	3,335,581,853
At 30 June 2021				
Financial Assets				
Quoted equity investments	Nil	Nil	Nil	Nil
Non- financial Assets				
Investment property	Nil	Nil	Nil	Nil
Land and buildings	3,279,996,228		Nil	3,279,996,228
Total	3,279,996,228		Nil	3,279,996,228

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

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iv) Capital Risk Management.

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

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation reserve	1,300,211,588	1,300,211,588
Retained earnings	4,239,342,013	4,216,988,348
Capital reserve	2,313,648,351	2,273,648,351
Total funds	7,853,201,952	7,790,848,288
Total borrowings	Nil	Nil
Less: cash and bank balances	272,731,809	1,259,335,574
Net debt/(excess cash and cash equivalents)	Nil	Nil
Gearing	N/A	N/A

37) RELATED PARTY DISCLOSURES

Nature of related party relationships

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

The entity is related to;

Government of Kenya

Chuka University gets funding from the national government through the national treasury of Kenya. The funding is separated in to two: Recurrent grant and capital grant which is used to finance part of the university budget.

Other related parties include:

i) The Principal Secretary, Ministry of Education;

Chuka University is an independent public entity established through a charter as per the Universities Act, 2012. It is represented by the Cabinet Secretary for Education, who is responsible for the general policy and strategic direction of the University

ii) The University management;

The University management is mandated to make the day-to-day decisions on behalf of the University. They have a significant influence over the operating and financial decision

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iii) The Council Members;

As the governing body of the University, the Council, have a responsibility of maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding the public and other university resources. The University Council is vested with powers and authority by its Charter and the Universities Act, 2012.

The Council is also the executive governing body responsible for the academic policy and strategic direction of the University, including its external relations, and for the Administration of the University.

The Council is responsible for the management of the University's finances and assets, in accordance with the Public Financial Management Act, 2012 and Public Financial regulations of 2015.

iv) The University Senate;

This is the academic authority of the University. It is composed of the Vice - chancellor, Deputy Vice Chancellors, Principals and Deputy Principal of Constituent Colleges, Deans, Directors, Chairmen of the Academic Departments, two Students' Representatives, Finance Officer, Registrar Academic, Registrar (Administration and Planning) and Faculty Representatives. Its role is to discuss and approve student results as well as students' discipline. The Senate is chaired by the Vice - Chancellor.

Related party transactions

a) Grants/Transfers from National Government

	2021/2022	2020/2021
Transfers from related parties'		
Recurrent	1,331,759,394	1,294,817,208
Capital	40,000,000	50,765,222
Transfers to related parties	-	-
Totals	1,371,759,394	1,345,582,430

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b) Key management remuneration

	2021/2022	2020/2021
University Council	11,866,227	7,825,946
Key management compensation	35,565,128	42,238,834
Totals	47,431,355	50,064,780

38) Events after the reporting period

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

39) Ultimate and Holding Entity

The entity is a State Corporation under the Ministry of Education. Its ultimate parent is the Government of Kenya.

40) Currency

The financial statements are presented in Kenya Shillings (Kshs).

APPENDICES

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	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)
1.1	Absence of title deed for Karingani/Ndaganani/741	The title deed is being processed through the ministry of lands	Head of Estates, Chuka University	Partly resolved	March, 2023
1.2	Inadequate Revenue Collection Measures resulting in Rent arrears	Management has introduced stringent Internal controls in Collection of rent in addition to instituting suits against tenants that are in arrears,	Director Farms, Buildings and University Enterprises	Partly resolved	March, 2023



Prof. D.K. Isutsa, Ph.D.
 Ag. Vice Chancellor/CEO

25th August 2022

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Appendix II: Project Implementation Status

PROJECT'S NAME	Total Project Cost	Total Expended to date	Completion % to date	Budget 2021-2022	Actual 2021-2022	Variance	%	Source of funds
Professional Fees For the Proposed Ultra-Modern Library Block	249,624,475	216,095,547	87	92,685,892	92,666,314	19,578	99.98	AIA
Professional Fees for the Proposed Administration Block	51,998,822	37,963,673	73	5,393,764	5,392,625	1,139	99.98	AIA
Electric Fence At Kairini Phase 2	9,359,267	9,260,900	99	7,792,696	7,791,050	1,646	99.98	AIA
Professional Fee Science Research Park	151,812,229	113,759,444	75	56,941,613	56,929,585	12,028	99.98	AIA
Proposed 3000cm Reinforced Concrete Water Reservoir	42,498,342	41,745,837	98	1,023,050	1,022,834	216	99.98	AIA
Proposed Administration Block	1,410,808,347	825,876,714	59	137,494,674	137,465,632	29,042	99.98	AIA
Proposed Bulk Water And Irrigation System At Kairini Farm	23,014,412	23,014,412	100	4,056,792	4,055,935	857	99.98	AIA
Proposed Fencing At Mwanjate Farm	7,636,900	7,636,900	100	7,638,513	7,636,900	1,613	99.98	AIA
Proposed Food Technology Tuition	292,164,909	260,497,746	89	68,433,834	68,419,379	14,455	99.98	AIA
Proposed Male Hostel Block (Wing B)	559,500,000	184,255,931	33	54,236,649	54,225,193	11,456	99.98	GOK
Male Hostel Wing A	699,750,000	698,753,012	100	41,626,746	41,617,953	8,793	99.98	GOK
Proposed Mechanical Workshop	8,990,592	5,303,933	59	610,101	609,972	129	99.98	AIA
Proposed Renovation and Alteration Of Elimu Plaza	9,521,615	9,521,615	100	6,815,204	6,813,764	1,440	99.98	AIA
Proposed Science Research Park Phase I and II	1,929,373,938	964,971,936	50	430,954,363	430,863,334	91,029	99.98	AIA
Proposed Ultra-Modern Library	1,610,480,482	69,159,741	4	69,174,352	69,159,741	14,611	99.98	AIA
Proposed Upgrading of University Access Roads	113,193,948	113,193,948	100	32,939,292	32,932,334	6,958	99.98	AIA
Proposed Water Intake At Kairini	18,962,264	17,624,235	93	17,627,958	17,624,235	3,723	99.98	AIA
Proposed Ndagani Chief Office Relocation	26,754,979	20,369,380	76	20,373,683	20,369,380	4,303	99.98	AIA



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Refurbishment Of Chogoria, Embu An Igembe Campus	70,000,000	57,764,621	83	23,157,956	23,153,064	4,892	99.98	A/A
TOTAL	7,285,445,519	4,316,460,450		1,078,977,132	1,078,749,224	227,908	99.98	
		-						

Appendix III: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Where Recorded/recognized				Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



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Appendix Iv: Recording of Transfers from Other Government Entities



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Telephone: 0202310512
0202310518

UNIVERSITY
P.O BOX 109-60400
Chuka

Chuka University wishes to confirm the amounts disbursed to us as at 30th June 2022 as indicated in the table below.

Confirmation of amounts received by Chuka University as at 30 th June 2022						
Reference Number	Date Disbursed	Amounts Disbursed by State Department for University Education and Research (KShs) as at 30 th June 2022			Amount Received by Chuka University (KShs) as at 30 th June 2021	Differences (KShs)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)		
KCB2/03628	3 rd August 2021	110,700,084	-	-	110,700,084	-
KCB2/03630	12 th August 2021	-	20,000,000	-	20,000,000	-
KCB2/03659	1 st September 2021	110,700,084	-	-	110,700,084	-
KCB2/03661	29 th Sept 2021	110,700,084	-	-	110,700,084	-



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KCB2/03809	2 nd Nov 2021	110,700,084	-	-	110,700,084	-
KCB2/03823	26 th Nov 2021	110,700,084	-	-	110,700,084	-
KCB2/03831	28 th Dec2021	110,700,084	-	-	110,700,084	-
KCB2/04033	1 st February 2022	110,700,084	-	-	110,700,084	-
KCB2/04087	2 nd March 2022	110,700,084	-	-	110,700,084	-
KCB2/04122	16 th March 2022	-	20,000,000	-	20,000,000	-
KCB2/04187	1 st April 2022	110,700,084	-	-	110,700,084	-
KCB2/04185	28 th April 2022	110,700,084	-	-	110,700,084	-
KCB2/04284	6 th June 2022	112,379,275	-	-	112,379,275	-
KCB2/04285	28 th June 2022	112,379,279	-	-	112,379,279	-
Total		1,331,759,394	40,000,000	-	1,371,759,394	-

The amounts shown above are correct as of the date indicated. (Stamp and Sign).

.....
Finance Officer
Chuka University

.....
Head of Accounting Unit
Ministry of Education



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Appendix VI: Reporting of Climate Relevant Expenditures

Name of the Organization: Chuka University

Telephone Number: 020 2310512/0202310518

Email Address: dvcarsa@chuka.ac.ke

Name of CEO/MID/Head: Prof. D.K. Isutsa, Ph.D.-Ag. Vice Chancellor

Name and contact details of contact person (in case of any clarifications): Prof. D.K. Isutsa, Ph.D.-Ag. Vice Chancellor

Project Name	Project Description	Project Objectives	Project Activities	Q1	Q2	Q3	Q4	Source of Funds	Implementing Partners
Tree Planting	Planting of trees in the neighbouring community	To ensure 10% forest cover as per the government Agenda	Planting trees in the Neighbouring community	22,540	194,330	-	-	AIA	Community and Neighbouring Institutions



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Appendix VII: Disaster Expenditure Reporting Template

Date: 2021/2022						
Entity: Chuka University						
Period to which this report refers (FY)	Year: 2021/2022				Quarter: Q1, Q2, Q3&Q4	
Name of Reporting Officer	Prof. D.K. Isutsa, Ph.D.-Ag. Vice Chancellor					
Contact details of the reporting officer:	Email: dvcarsa@chuka.ac.ke			Telephone: 020 2310512/0202310518		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Operations and maintenance Expenses	General Administrative	Covid 19	Mitigation	Covid 19 Expenses	466,750	Covid 19 mitigation measures as per the MOH guidelines.



A large, faint, and tilted rectangular grid or table structure is visible in the upper left quadrant of the page. The grid consists of several rows and columns, with some internal lines suggesting a hierarchical or tabular layout. The lines are very light and difficult to discern clearly, but the overall shape is that of a table or a structured data set. The grid is rotated approximately 30 degrees clockwise relative to the page's orientation.