

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 05 JUN 2024 DAY: Wednesday

TABLED BY: Hon. Wanyiku Muhia, MP

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REPORT

OF

THE AUDITOR-GENERAL

ON

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY**

**FOR THE YEAR ENDED
30 JUNE, 2023**



2023/24
F/S



MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

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I. ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS

VC	Vice Chancellor
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
KRA	Kenya Revenue Authority
VAT	Value Added Tax
ROI	Return on Investment
MOU	Memorandum of Understanding
GOK	Government of Kenya
TVET	Technical and Vocational Education Training
MMUST	Masinde Muliro University of science and Technology
PS	Principal Secretary
CS	Cabinet Secretary
A&F	Administration and Finance
ASA	Academic and Student Affairs.
PRI	Planning, Research and Innovation.
Ag	Acting
RA	Registrar Administration
RAA	Registrar Academic Affairs
FY.	Financial Year
IGU	Income Generating Unit
SFP	Statement of Financial Performance
KUCCPS	Kenya Universities and Colleges Central Placement Service
SDHER	State Department for Higher Education and Research

B: Glossary of Terms

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

Comparative Year- Means the prior period.

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2. UNIVERSITY INFORMATION AND MANAGEMENT

(a) Background information

Masinde Muliro University of Science and Technology (MMUST) is a legal entity established under the Universities Act No 42 of 2012. The University is domiciled in Kenya.

(b) Principal Activities

The principal activities of the University is to provide University education through teaching, research, innovation and extension services.

• **VISION**

To be the Premier University in Science, Technology and Innovation

• **MISSION**

To provide excellent University education, training and research through integrating science, technology and innovation into quality programs to suit the needs of a dynamic world.

• **PHILOSOPHY**

MMUST holds the view that science and technology is an indispensable tool in harnessing resources of nature for sustainable development and in creating an environment in which human beings can survive and realize their potential. Thus, the human being has the moral obligation to creatively improve the environment. This can be achieved through a well-conceptualized educational, scientific and technological package through which every human being must rightfully experience and acquire the tools to facilitate this philosophy.

To meet the requirements of its Vision, Mission and Philosophy, MMUST upholds the following values:

- i. Customer focus
- ii. Accountability
- iii. Collegiality
- iv. Excellence
- v. Professionalism
- vi. Innovativeness
- vii. Integrity

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(c) Key Management

The university day to day management is under the following key Organs;

- University Council
- Vice Chancellor
- MMUST Management Board
- Deans and Directors

The Council members who held office during the Financial Year ended 30th June 2023 and up to the date of this report were:

No	Name	Designation	Appointment Date	Retirement Date
1	Dr. Pamela Sitienci	Council Chairman	23-5-2023	
2.	Mrs Susan N.Nyasinga,HSC	Council Member	23-5-2023	
3.	Dr. George Lutomia	Council Member	23-5-2023	
4.	Dr. Kennedy Ochieng Oluong'o	Council Member	23-5-2023	
5.	CPA Grace W. Kimotho	Council Member	23-5-2023	
6.	Ms. Dorothy N.O. Kimeu	Council Member	23-5-2023	
7.	Mr. Batholomew W. Wanikina	Rep of PS-SDHER/ Council Member	23-5-2023	
8.	Mr. Peter Muhia Wanjiku	Alternate to CS- National Treasury and Economic Planning/Council Member	5 th May 2021	-
9.	Prof. Solomon I. Shibairo	Vice Chancellor Secretary	27-3-2020	-
10.	Dr. Jane Musangi Mutua	Council Chairman	10-3-2020	09-03-2023
11.	Ms. Lucy Mugwe	Alternate to PS-SDHER/ Council Member	27-5-2020	09-03-2023
12.	Ms. Connie Okwisa	Council Member	10-3-2020	09-03-2023
13.	Mr. Gad Gathu Kiragu	Council Member	10-3-2020	09-03-2023
14.	Ms Jacqueline Muthoni Mwangi	Council Member	5-5-2022	23-03-2023
14.	Mr. Stephen Mutoro	Council Member	10-3-2020	09-03-2023
15.	Mr. Joshua Onyango Ogango	Council Member	10-3-2020	09-03-2023

(d) Fiduciary Management

The key management personnel who held office during the Financial Year ended 30th June 2023 and who had direct fiduciary responsibility were:

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No.	Designation	Name
1	Vice Chancellor and Accounting Officer	Prof. Solomon I. Shibairo
2	Deputy Vice Chancellor (A&F)	Prof. John Kuria Thuo
3	Deputy Vice Chancellor (A&SA)	Prof. Hussein Golicha
4	Deputy Vice Chancellor (PRI)	Prof. Charles Mutai
5	Finance Officer	CPA Jared G.O.O. Rading'
6	Procurement Officer	Ms. Scarlet Kavaya
7	Ag. Registrar Academic Affairs (RAA)	Prof. Thomas W. Sakwa
8	Ag. Registrar (PRI)	Prof. Alice Ndiema
9	Ag. Deputy Registrar Administration (RA)	Dr. Eglay Tsuma
10	Dean of Students	Dr. Benedicte Abwao
11	Senior Medical Officer	Dr. Patrick Wanguche

(e) Fiduciary Oversight Arrangements

The fiduciary oversight is achieved through the following

- i) Audit, governance, Risk Management and Compliance Committee of Council
- ii) Finance, Resource Mobilization s and Planning Committee of Council
- iii) Public Investment Committee of Parliament
- iv) Auditor General
- v) Internal Audit Department

(f) University Headquarters

P.O. Box 190-50100.
 Kakamega-Webuye Road.
 Kakamega, Kenya

(g) University Contacts

Telephone: 254 702 597360/1
 E-mail: info@mmust.ac.ke, vc@mmust.ac.ke
 Website: www.mmust.ac.ke

(h) University Bankers

1. Kenya Commercial Bank Ltd. (Main)
 P.O. Box 152
 Kakamega, Kenya
2. Co-operative Bank of Kenya Ltd.
 P.O. Box 1511
 Kakamega
3. ABSA Bank Kenya Ltd.
 P.O. Box 1815
 Kakamega
4. Standard Chartered Bank Ltd.
 P.O. Box 6302
 Kakamega
5. National Bank of Kenya Ltd.
 P.O. Box 1815
 Kakamega

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6. Equity Bank Ltd.
P.O. Box 2512
Kakamega

7. Family Bank Ltd.
P.O. Box 1486
Kakamega

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

3. THE UNIVERSITY COUNCIL

i) CHANCELLOR OF THE UNIVERSITY



Chancelior, Dr. Peter Wanyaga Muthoka
D.ML, MA(Ed), BA (Hons), EBS, MBS, FKIB,
FKIM

PROFILE

1. Dr. Peter Wanyaga Muthoka was appointed by His Excellency, the President of the Republic of Kenya as the Chancellor of Masinde Muliro University of Science & Technology (MMUST) on 14th December, 2017. He succeeded the third President of the Republic of Kenya His Excellency Hon. Mwai Kibaki who served the University as the Chancellor for 10 years.
2. Dr. Muthoka is also the Chairman: Board of Fellows of the Kenya Institute of Management (KIM) and Chairman of the Board of Trustees of The Management University of Africa (MUA). He is Chairman of the Old Mutual Investment Group (K) Ltd, the UAP-Old Mutual Foundation, Bel Air Management Ltd, the Advocates Plaza Ltd, Woodley Springs Ltd and Faulu Microfinance Bank. He is a Director of UAP-Old Mutual Holdings Ltd and Old Mutual Life Assurance Company (K) Ltd; and Director of the Institute of Directors, Kenya, as well as a Life Member of the Kenya Red Cross Society. He is a patron and initiator of a number of community projects.
3. He retired from being a Board Member of the Kenya Commercial Bank (KCB) in May 2012 in accordance with the Bank's Board Charter, having served the Board for the maximum 8 years from 2004 to 2012, as a Director, inclusive of the last 4 years as the Group Chairman. He was Chairman of KCB South Sudan, KCB Uganda and KCB Rwanda, Director KCB Tanzania, KCB Foundation, and Savings & Loan Ltd. The period under his chairmanship witnessed the transformation of the Bank to a shining example of successful turn-around that moved the Bank from "Good" to "Great". He was the Managing Director of the agricultural company, Sasini Ltd, for 5 years from 2004 to 2008 where he was part of the team that presided over far reaching reforms in this Nairobi Securities Exchange listed company. He is a transformational leader.
4. Dr. Muthoka is an alumnus of Nyeri High School (O-Level) and Strathmore College, (A-Level) and holds BA (Hons) Degree from University of East Africa (UEA), MA Degree from University of California, Los Angeles (UCLA), and

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Honorary Degree of Doctor of Management and Leadership (D.ML)(Honoris Causa) from The Management University of Africa (MUA), and Course Certificates from United Nations Educational, Scientific and Cultural Organization (UNESCO), Bank of England, International Monetary Fund (IMF), World Trade Organization (WTO), International Trade Centre (ITC), Japanese External Trade Organization (JETRO), Singapore Export Institute (SEI), Kenya Institute of Administration (KIA), Centre for Corporate Governance (CCG), Strathmore Business School (SBS) among other reputable institutions.

5. He has served in senior positions with the Government of Kenya (Office of the President and Ministry of Education), United Nations related bodies (UNESCO, UNDP, UNICEF, WTO, ITC), and the Central Bank of Kenya. He was founder and Chief Executive of the College of Banking and Finance of Kenya, founder and first Chief Executive of Export Promotion Council of Kenya and Kenya Commissioner-General at Expo 2000 in Hannover, Germany.
6. Dr. Peter Wanyaga Muthoka has been a corporate leader and an entrepreneur with a long and varied experience in public and private sectors in the fields of management, education, finance, investment, export promotion, agriculture, real estate, corporate governance, international diplomacy, and community voluntary work. He has been an initiator and implementer of development programmes at national, regional and international levels under the auspices of the Government of Kenya (GOK) and multilateral and bilateral agencies. He has served in many other Boards and/or capacities including Export Processing Zones, The Ark Ltd, Sasini Ltd, Kenya Joint Industrial and Commercial Consultative Council, National Committee on Investments, Capital Markets Authority Education and Promotion Committee, Coordinator of Kenya Post Lome ACP Steering Committee, Chairman of Old Mutual Investments Services Ltd, Director of Old Mutual Holdings (K) Ltd, Director of Old Mutual Africa Holdings, Director of Old Mutual Emerging Markets, Member of the Panel of the World Bank Conciliators of International Centre for Settlement of Investment Disputes, and Member of a Justice and Peace Committee. He continues to have close association with the industry and academia as he is a frequent facilitator in various Universities and the corporate world in lectures related to management, leadership and governance. He is a trainer and trainer of trainers.
7. Dr. Muthoka is a Fellow of the Kenya Institute of Management (FKIM) and Fellow of Kenya Institute of Bankers (FKIB). In 2004, he was awarded the medal of Moran of the Burning Spear (MBS), by H.E The President of Kenya for "devotion, commitment, loyalty and exemplary service" rendered to the Kenyan Public Service and international organizations for 38 years from 1966 to 2004. In 2012, he was awarded the medal of Elder of the Burning Spear (EBS), by H.E The President of Kenya for distinguished service rendered to the Nation, especially in areas of finance, investments, corporate social responsibility and philanthropy.



Chairperson of Council

DR. PAMELA SITIENEI

When Global brands want access to some of the fastest-growing economies in the world, they call Dr. Pamela Sitienei. She has raised over 300 million dollars in project investments and her project investments now have over a billion-dollar valuation.

As the Founder and Chief Executive Officer of the ONAPS Advisory LLC and Chief Vision Officer, Sitienei brings more than 17+ Years' experience of multi-faceted experience in government relations, foreign relations, fund mobilization, international trade, financial services, energy, commodity trading and negotiations. Culturally astute and discerning in her approach, Pamela has an extraordinary track record for structuring complex deals around the globe with major corporations, governments and high-ranking officials. Her ability to nimbly operate in various business capacities has persuasively broadened her reach across continents and industries. Multilingual, Sitienei has easily afforded herself a seat at the global roundtable.

An entrepreneur at heart, Sitienei envisions her firm's role as the most influential, effective and independent organization serving as the voice of Project development in Africa and beyond. In her capacity as Founder and CEO, she leads the operations of the organization from, site development, feasibility, fund mobilization, team creation, contract negotiations, merging & acquisitions in the areas of Energy, Defence, Pharmaceutical Distribution, Real Estate Development, Mining, Information Technology, and Financial structure with top lenders in the world.

During her tenure as the Government Relations/Federal Affairs Specialist, at the American Gas Association (AGA) on Capitol Hill, she gained exposure to policy issues in natural gas and actively liaised with the federal government, to include the executive and legislative branches of former President George Bush, President Barack Obama and President Donald Trump. Her portfolio was State affairs and Federal with emphasis on Renewables, Pipeline Safety, Cybersecurity, Budget under Appropriations, Energy & Natural Resources, Energy & commerce and financial committees. Additionally, she developed an impressive wheelhouse of expertise in areas such as Federal Election Committee laws and regulations, PACs, election cycles, legislative processes, political contributions and disbursements, lobbying disclosure and reporting.

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Outside of her traditional duties at the AGA, Pamela managed the legislative outreach congregation, including legislative forums and supported the Vice President in fundraising. She was also responsible for the preparation, forecasting, monitoring and tracking of the department's budget. She also played a key role on Energize Africa Act, and was appointed a technical advisor at USAID for the Power Africa Initiative. Prior to joining AGA, Pamela spent four years at Zurich North America/Zurich Financial Services. She supported the Vice President's efforts to lobby, build coalitions and sustain relationships with different multi-lateral institutions including, International Finance Corporation, OPIC, World Bank – MIGA and International Monetary Fund. As the manager of the Government & Industry Affairs, she developed business relations with emerging markets; defined project scope, goals and deliverables, which supported the company's business goals in collaboration with senior management & stakeholders. She interpreted and ensured consistent application of organizational policies; negotiated contracts, maintained financial records and managed the department budget of over \$20million.

Pamela received her Undergraduate from University of Central Oklahoma in Journalism and Public Relations. She received, The Prince of Wales Business and Sustainability Leadership Certification from University of Cambridge, London, United Kingdom. She received her honorary doctorate in Divinity from My Life Bible College in Maryland, USA. She is also certified lobbyist by the United States Government Relations Professionals. On unlocking Africa, one of the last places in the world to experience double-digit growth, Pamela serves as a guide to help companies learn where and how to invest in and unlock opportunities. Dr. Sitienei serves as a strategic advisor to several governments, High net worth personalities, energy companies and investors throughout Africa, specifically, Democratic Republic of Congo, Nigeria, Angola, Republic of Congo, Guinea Conakry, Mozambique, South Africa, Namibia, Equatorial Guinea and Kenya. She currently serves on the board of Women Global Leadership Institute and AGTIS, Dubai, UAE.

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Member

Mrs. Susan N Nyasinga, HSC,

Mrs. Susan N Nyasinga, holds a Masters of Arts degree in Counseling Psychology from Daystar University, a bachelor of Arts in Sociology from University of Nairobi (UON), Higher Diploma in Human Resources and Psychological Counseling from Kenya Institute of Management (KIM) and Kenya Institute of Professional Counseling (KIPC) respectively, She holds several Advanced Certificates in Leadership, Management, Women in Leadership, Juvenile Treatment and Child Protection from Kenya School of Government (KSG) and UNAFEI-Japan among other colleges.

Mrs. Susan Nyasinga is champion on the Rights of the child and child Protection, a mentor to several College and University students within and outside of Kenya in the field of Psychology, Counseling, Social Work, Community Development, Criminology, Security and Offender Rehabilitation. She was a warded Head of State Commendation medal (HSC) for dedicated Service by the Government of Kenya in 2009.



Member

Dr. George Lutomia

Dr. Lutomia's educational qualifications include a PhD in Conflict Resolution and Management. His expertise in conflict resolution has been invaluable in helping students and educational institutions navigate the complex and sometimes challenging dynamics that can arise in the school setting.

Furthermore, Dr. Lutomia's experience in education leadership and management is noteworthy. Serving as the County Executive Committee member (Minister) for Education in the Kakamega County Government from 2018-2022, he has played a crucial role in developing policies and procedures that promote effective and efficient management of learning institutions. Earlier, he served as an assistant director of education based at Jogoo house before moving to Kakamega County as CECM. Currently, Dr. George Lutomia is the Chairperson Kakamega County Education Board (CEB)

KENNEDY OCHIENG OLUNG'O, PhD

Dr. Olun'go an experienced, practical and result oriented Consultant with over fifteen (15) years of track record in delivering a diverse range of activities. He supports the

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Member

business in ten (10) countries, across ABSA Regional Operations (ARO) in achieving organizational goals. Am competent in; planning and organization, decision making and initiating action, adapting and responding to change, high-quality training and researching. Besides, he is proficient in managing existing day-to-day processes while developing and implementing new business strategies in dynamic and high-pressure environments, requiring the ability to multi-task and effectively manage relationships.



Member

CPA Grace W. Kimotho

CPA. Grace Wanja Kimotho (Risk and internal Audit Consultant)

Grace is a qualified Accountant, a member of Institute of Certified Public Accountant (ICPAK) and institute of internal auditors (IIA)

She holds Master of Science- Finance from University of Nairobi, ISO 9001:2008 and ISO9001:2015 Certifications. Ms. Kimotho has over 15 years' experience in internal audit field.



Member




Ms. Dorothy N. O. Kimeu, MBS

Ms. Kimeu holds a master's of Arts degree in International Studies from the University Of Nairobi (UON) and a bachelor's degree in political Science (Government) from the same University. She holds several advanced certificates in Finance, Administration, Leadership, Management, Negotiations and International development from the University of Connecticut (UCONN) and Policy Research Institute of Japan among several other Institutions.

She has also served in several Public Boards namely; National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), Masinde Muliro University of Science and Technology (MMUST), Kenya Medical Training College (KMTC), African Institute of Capacity Development (AICAD), Kenya National Examinations Council (KNEC), Maasai Mara University (MMara-U), and was chair at the Special Economic Zones Authority (SEZA).





Ms. Kimeu is a certified Trustee, a trained Theological Education by Extension (TEE) trainer and is the Vice-chair of Langata High School board of management

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	<p>(BOM). A member of Kenya Association of Public Administration and Management (KAPAM), Women fighting Aids in Kenya (WOFAK) and Mother's Union of Kenya, St Augustine Madaraka Church Parish, All Saint's Cathedral Diocese, Anglican Church of Kenya.</p>
 <p>Member</p>	<p>Mr. Lumbasi Wanikina Bartholomew Mr. Lumbasi holds MBA in Strategic Management from Jomo Kenyatta University and Master of Education, Bachelor of Education (Economics and Mathematics) from Kenyatta University . He has twenty two (22) years of experience as a civil servant and teaching profession. Rep. PS. State Department for Higher Education and Research</p>
 <p>Member</p>	<p>Mr. Peter Muhia Wanjiku Holds a MBA and BCOM(Finance) Alternate to the Cabinet Secretary to the National Treasury and Planning. He has 13 years' experience in financial management in the Public Sector.</p>
 <p>Vice Chancellor</p>	<p>Prof. Solomon I. Shibairo, B.Sc., MSc, PhD, MKNAS Holds PhD (Plant Science, University of British Columbia, Canada), MSc. (Agronomy, The University of Nairobi, Kenya) and BSc (Agriculture, The University of Nairobi) Has had over 35years of University teaching, research, supervision and academic leadership. Held various leadership positions from Chairperson of Department, Dean of a School, and Deputy Vice Chancellor. He was appointed as Vice Chancellor with effect from 23rd September 2021.He is a member of Kenya National academy of Sciences (KNAS), The Food and Technology Platform of Kenya, The Horticultural Society of Kenya and The Soil Science Society of East Africa.</p>

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4. MANAGEMENT TEAM

Name	Academic and Professional Qualifications
 <p data-bbox="73 703 435 853">Prof. Solomon I. Shibairo</p>	<p data-bbox="451 387 1422 421">Vice Chancellor</p> <p data-bbox="451 423 1422 562">He is a holder of BSc, M.Sc. (UoN), PhD (UBC, Canada). He has over 35 years of University teaching, research, supervision and academic leadership. He is a Professor of Horticulture, specialized in Olericulture.</p> <p data-bbox="451 600 1422 853">Prof. Shibairo is a member of the Horticultural Association of Kenya and the Kenya National Academy of Sciences. He has taken professional trainings in corporate governance, leadership and performance management among others. Has held various leadership positions from Chairperson of Department, Dean of a School, and Deputy Vice Chancellor. He was appointed as Vice Chancellor of MMUST on 20th March 2020.</p>
 <p data-bbox="73 1196 435 1256">Prof. Charles Mutai</p>	<p data-bbox="451 864 1422 931">Deputy Vice Chancellor, Planning, Research and Innovation (PRI)</p> <p data-bbox="451 934 1422 1256">BSc (UoN), MSc. (Liverpool), PhD (Athens), Postdoc (China). He is a Professor in the Department of Medical Laboratory Sciences and has over 27 years' experience in the public service. His expertise is in teaching and research in the areas of Pharmacology, Pharmacognosy and Complementary/Alternative Medicine. He is the founder dean of School of Public Health and Biomedical Sciences & Technology and has also served as Deputy Principal in charge of Academic and student Affairs at Turkana University College in Lodwar</p>
 <p data-bbox="73 1621 435 1760">Prof. Hussein Golicha</p>	<p data-bbox="451 1267 1422 1301">Deputy Vice Chancellor, Academic and Student Affairs.</p> <p data-bbox="451 1303 1422 1760">Prof. Golicha is a holder doctorate degree in physics, specializing in Chemical Physics from Egerton University, Masters in Physics from Kenyatta University and BEd (Maths and Physics) from the University of Nairobi. His areas of academic and research interest are in the fields of Chirality (handedness of nature) and material science. He has supervised multiple post graduate students to successful completion. His major scholarly contribution was his role in the study of Chiral molecules using liquid crystals as hosts. He has contributed immensely to teaching and learning of physics at secondary level through his books. Before joining Masinde Muliro University of Science and Technology (MMUST) in September, 2021, Prof Golicha served as Deputy Vice Chancellor Academic and Student Affairs, at Garissa University.</p>
	<p data-bbox="451 1771 1422 1816">Deputy Vice Chancellor, Administration and Finance</p> <p data-bbox="451 1854 1422 2112">Prof. Thuo has 28 years working experience in corporate banking, consultancy and university teaching, research and senior management. He is a business management graduate of the University of Nairobi's School of Business with academic qualifications in BCom, MBA and PhD. His professional credentials are: CPA (K) and member of Institute of Certified Public Accountants of Kenya (ICPAK); CPS (K) and member of Institute of Certified</p>

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<p>Prof. J. Kuria Thuo</p>	<p>Secretaries of Kenya (ICSK); and Chartered Marketer with Chartered Institute of Marketing (CIM, UK).</p>
 <p>CPA Jared G.O.O. Rading'</p>	<p>Finance Officer He has 21 years of practical and hands on experience in Accounting, Finance, Administration, Procurement and Strategic Leadership. Holds B.Com (Accounting) (KU), MBA (Accounting) (MSU) and is currently pursuing PhD in Accounting at Maseno University. Has a certificate in Strategic Leadership Development Programme (SLDP) from Kenya School of Government. He is a Certified Public Accountant and a registered member of the Institute of Certified Public Accountants of Kenya. He is a Certified Pensions Trustee.</p>
 <p>Dr. Eglay Tsuma</p>	<p>Ag. Deputy Registrar in charge of Administration She holds BED(Arts)(KU), MSc(HRM) and PhD(HRM) (MMUST) She is responsible for Human Resource Management, Central Services and General Administration in the university. Has 26 years experience in human resource management, teaching and research sectors.</p>
 <p>Prof. Thomas Sakwa</p>	<p>Ag. Registrar in charge of Academic Affairs Holds BSc., M.Phil. and PhD (Moi). He has over 28 years of university teaching and management. He is a member of Kenya National Academy of Sciences, KIM, and MPSK. He was appointed to Management Board in January 2019.</p>
 <p>Dr. Patrick Wanguche</p>	<p>Senior Medical Officer Holds a Bachelor of Medicine and Bachelor of Surgery (M.B.Ch.B)(UoN). He has vast experience in medical administration especially in Health Systems Management application of efficiency measures in control of health expenditure in organizations.</p>
 <p>Dr. Benedicte Abwao</p>	<p>Dean of Students Holds MEd (Guidance and Counselling) (KU) and PhD (MMUST) She has over 30 years working experience in management, with 11 years in University Student Affairs Department and 6 years as a member of the University Management Board. She is qualified in Peace and Conflict Management and an expert in Gender issues and is a registered member of CAK, KPCA, KUDSA and DMAK</p>

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Mr. Vincent Chibini

Deputy University Librarian

Holds Dip LIS (STTI), B.Sc LIS (Moi), M.Phil LIS (Moi), with over 25 years of practical and hands on experience in Library and Information Resources Management. He is a registered Member of KLA, IFLA, and KLISC. He joined the University Management Board in November 2015.



Dr. Alice Chesambu

Ag. Registrar Planning, Research and Outreach

She holds a PhD, MSc (Agricultural Extension), BSc. and Diploma from Egerton University. She has over 31 years in research and community outreach from Kenya Agricultural Research Institute (KARI) and 14 years of university teaching. A founder member of Kenya Professional Association of women in Agriculture and Environment (KEPAWAE), African Women in Science and Engineering (AWSE) and Environmental Impact Assessment Associate Expert (EIA). Joined University Management Board 1st November 2020.

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CHAIRPERSON OF COUNCIL'S STATEMENT



On behalf of Masinde Muliro University of Science and Technology (MMUST) Council, it is with great pleasure that I present the Annual Report and Financial Statements of the University for the Financial Year (FY) ended 30th June 2023. The Council was appointed on 23rd may 2023 under the 5th Administration of H.E. Dr. William Samoei Ruto, The President of Kenya and The Commander in Chief of the Kenya Defence Forces. The Council heralded a new dispensation under the Bottom-up Economic Transformation Agenda(BETA).

The University acquired 34 acres of land through National lands Commission at the Kakamega Rehabilitation School as part of its efforts to expand on its infrastructure requirements necessary for offering high quality academic programmes to meet the global and national demands. Additionally, we invested in construction of Engineering and TVET Complex, Modern Olympic Size Swimming pool, construction of Budalangi Library, implementation of Solar power grid, construction of a Footbridge and a Police Sattion. These projects were implemented to improve the lives of our students and communities. The University planted trees as part of the greening initiative to support climate change mitigation in our country.

The Council has continued to maintain oversight over utilization of resources which has significantly enhanced operational efficiency and effectiveness and also ensured that the University is stable and that peace and tranquility is maintained.

The University Council wishes to thank all stakeholders in particular the Government of Kenya for the continued funding of the University as well as the teaching and non-teaching staff, suppliers, students as well as the community surrounding the University who contributed in one way or another to make the year successful. God bless them all.

A handwritten signature in dark ink, appearing to read 'Pamela Sitienei', written over a dotted line.

DR. Pamela Sitienei
Chairman of Council

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5. REPORT FROM THE VICE CHANCELLOR



It is with great pleasure that I present to you the University's Annual Report and Financial Statements for the Financial Year ended 30th June 2023. As a University, we continue with our quest to make Masinde Muliro University of Science and Technology the Premier University in Science, Technology and Innovation. We are committed to providing better services to all our stakeholders with quality teaching, research and consultancy which constitute our core mandate as a University. The University implemented its objectives with a clear direction in staking its position as a Science, Technology and Innovation institution of higher learning.

Financial Stewardship

The University Council has continued to implement reforms aimed at improving the financial health of the University. The reforms have realized the timely preparation of quarterly financial statements, compliance with statutory obligations, increase in staff morale and general improvement in service delivery to our key stakeholders and customers.

In the FY 2022/2023, the University recorded a deficit of Kshs. 37,148,582 compared to a surplus of Kshs. 16,155,630 in FY 2021/2022. The deficit was mainly caused by reduction in tuition and related charges due to inability of some students to continue with their studies owing to tough economic times. The Balance Sheet of the University stood at Kshs. 7,167,557,789 as at 30th June 2023 compared to Kshs. 6,523,108,531 as at 30th June 2022. The increase is attributed to inclusion of 34 acres of land at the Rehabilitation School allocated to the University and increase in value of construction projects implemented in the year. The liquidity status remained strong with cash balances closing at Kshs. 517, 481,332 down from Kshs. 562,494,922 in FY 2021/2022. The University therefore remained financially stable during the year despite high costs of fuel and other commodities.

Staff welfare

The University spent Kshs. 2,304,214,177 on staff welfare namely; personnel costs, medical expenses, staff training and development and purchase of protective clothing for Kshs. 2,174,133,609, Kshs. 120,675,732, Kshs. 7,687,979 and Kshs. 1,716,864 respectively. All these expenditures are aimed at taking good care of our staff as they form the backbone of our University. This staff welfare expenditure

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accounted for 75% of our total revenues. The University will continue to invest and equip the staff with requisite skills in order to improve productivity.

Infrastructure Development.

The University continued to invest in infrastructure to increase teaching and research space for our students and staff. In the FY 2022/2023, the construction of Engineering and TVET Complex realized with 21% completion rate with total expenditure to date standing at Kshs. 151,738,840. The implementation pace slowed down and is expected to pick in the subsequent year to have the project delivered for use on time. The Olympic size swimming pool and the Footbridge construction commenced and realized 83% and 89% completion rate respectively by 30th June 2023. These are flagship projects for the University as they will contribute significantly to achieving high quality training and research and improvement on the general ambience of the University.

Student welfare

The lives and experiences of our students is key in our mandate as a University. In the year 2022/2023, we supported various activities which involve students such as sports and games, choir and drama, talent scholarships and student leadership. A new set of student leaders were elected to the MMUSO Council through a competitive, peaceful and democratic election. Our various teams performed very well taking top honors in various sports in the country. The University Council and Management will continue to allocate resources to these activities to promote holistic growth and development of our student. A total of Kshs. 34,076,705 was spent towards these activities in this financial year.

Conclusion

I wish to take this opportunity to thank the Council, the University Management Board, Senate and other organs of the University for their leadership and commitment to the realization of the mandate of the University the FY 2022/2023. I wish to thank all our students who remained calm to ensure smooth running of the University programmes. My appreciation also goes out to the entire staff for their steady commitment that realized the progress recorded in the year ended 30th June 2023. Finally, I wish to particularly appreciate the support of the National Government and other stakeholders in fulfilling their commitments to our University and assure them of our continued cooperation and prudent utilization of resources bestowed on us.

Thank you very much. God bless you.


Prof. Solomon I. Shibairo, PhD
VICE CHANCELLOR

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6. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR THE YEAR 2022/2023

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the Financial Statement a statement of the national government entity's performance against predetermined objectives.

MMUST has 6 strategic pillars and objectives within its Strategic Plan for the FY 2019/20- 2022/2023. These strategic pillars are as follows:

Pillar 1: Academic Excellence

Pillar 2: Research, Innovation, Extension services and Internationalization

Pillar 3: Consultancy Services

Pillar 4: Student Services

Pillar 5: Financial Growth and Sustainability

Pillar 6: Institutional Capacity

MMUST developed its annual work plan for FY 2022/2023 based on the above 6 pillars. All heads of cost centres signed cascaded performance contracts with their immediate supervisors. Assessment of the performance for each cost centre was done on quarterly basis. The University achieved its performance contract targets set for the FY 2022/2023 as follows.

Table 1: Actual performance contract FY 2022/2023 Achievements

S/No.	Performance Criteria	Unit of Measure	Annual Target (FY)	Actual Performance	Impact of outcomes
A1	Absorption of Allocated Funds (GoK)	%	100	90%	Continued sustainability of University operations
A2	Appropriation -In-Aid	Kshs.	1,366,000,000	1,271,414,826	Continued sustainability of University operations
A3	Absorption of Externally Mobilized Funds	%	100	112%	Continued sustainability of University operations
A4	Pending Bills Ratio	%	1	0	Good public image
B1	Implementation of Citizens' Service Delivery Charter	%	100	100	improved service deliver and good public image
B2	Business Process Reengineering	%	100	80	improved service deliver and good public image

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					public image
B3	Resolution of Public Complaints	%	94	92	improved service deliver and good public image
C23410	Intellectual Property Rights(IPs)	No	1	6	Improved standing of the University internationally
C23411	Increase the Number of Researchers(Lecturers and above)	No	5	28	Improved standing of the University internationally
C23412	Review Two Academic Programs to comply with Competency Based Curriculum	%	100	4 (200%)	Improved product taking and service delivery to key stakeholder
C23413	Increase Enrolment of Students pursuing Science, Engineering & Technology	No	1000	2823 (282%)	Improved product taking and service delivery to key stakeholder
C23414	Enhanced Collaborations with Industries, Academic and Research Institutions	No	5	15	Improved product taking and service delivery to key stakeholder
C23415	Improvement in Web Metrics Ranking of the University	Global Rank	5245	5227	Improved standing of the University internationally
C23416	Increase in the Number of Proposals Submitted for Funding	No	75	85	Continued sustainability of University operations
C23417	Increase in Enrolment of Post Graduat Students (Ph.d)	No	10	112	Continued sustainability of University operations
C23418	Increase in the Number of Commission for University Education (CUE) Recognized Programmes	3	2	4 (200%)	Improved standing of the University internationally

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C23420	Project Completion Rate	%	100	83.20%	Availability of critical infrastructure for operations
C23421	Science, Technology and Innovation Mainstreaming	%	100	100	Improved standing of the University internationally
C2343	Library Resources Enhanced	%	100	100	Improved product taking and service delivery to key stakeholder
C2345	Enhanced Utilization of laboratories and workshops	%	100	100	Improved product taking and service delivery to key stakeholder
C2346	Post -Covid-19 Recovery Strategies and Plans	%	100	100	Continued sustainability of University operations
C2347	Application of ICT in Teaching and Learning and Service Delivery	%	100	100	Improved product taking and service delivery to key stakeholder
C2348	Articles Published in Refereed Journals	No	250	255	Improved standing of the University internationally
C2349	Conferences/Seminars/Workshop /Summits	No	12	46	Improved standing of the University internationally
II	Implementation of Presidential Directives	%	100	100	
I	Access to Government Procurement Opportunities (AGPO)	Kshs.	98,545,200	101,295,340	Affirmative action in market place practices
I	Promotion of Local Content in Procurement	Kshs.	131,393,600	202,237,651	Affirmative action in market place practices
	Cross - Cutting				

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G1	Asset Management	%	100	100	Continued sustainability of University operations
G10	Road Safety Mainstreaming	%	100	100	Improved product taking and service delivery to key stakeholder
G11	Corruption Prevention	%	100	100	improved service deliver and good public image
G2	Youth Internships/ Industrial Attachments/ Apprenticeships	No	150	298	affirmative action in market place practices
G3	Competence Development	%	100	100	improved service deliver and good public image
G4	Disability Mainstreaming	%	100	85	Affirmative action in market place practices
G5	Gender Mainstreaming	%	100	85	Affirmative action in market place practices
G6	Prevention of Alcohol and Drug Abuse	%	100	70	improved service deliver and good public image
G7	Prevention of HIV Infections and Non-Communicable	%	100	95	improved service deliver and good public image
G9	National Values and Principles of Governance	%	100	100	Affirmative action in market place practices

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8. CORPORATE GOVERNANCE STATEMENT

Corporate governance comprises rules, procedures, regulations and processes through which the University is directed. According to the provision of the university Charter and the University Act No 42 of 2012, MMUST has the following established organs of Governance: -

- The Council
- The Senate
- University Management Board

MMUST is committed to mainstreaming best practices in corporate governance. The University has a duty of care to conduct affairs in a responsible and transparent way and to take into account the requirements of funding bodies and other stakeholders.

The University's Council is responsible for enforcing a sound system of internal controls that support the achievement of aims, objectives and implementation of policies enacted while safeguarding the public and other funds and assets for which the Council is responsible. The systems of internal controls are designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can, therefore, only provide reasonable and not absolute assurance of effectiveness against material misstatement or loss.

The University Council has adopted a Statement of Primary Responsibilities which is published on the University's Strategic Plan and Website. This Statement sets out the Council's responsibilities in respect of the proper conduct of public business, strategic planning, monitoring effectiveness and performance, finance, audit, estate management, human resource management, equality and diversity, student welfare, health and safety and the appointment of the University officers.

i) The Appointment and Retirement of the Council

The Council is the overall Governing Board of the University. The Council is appointed by the Cabinet Secretary responsible for University Education as per the Universities Act No. 42 of 2012. The Council consists of nine (9) members including the Vice Chancellor who is an ex-officio member and Secretary to the Council. The Council is appointed for a term of three (3) years to oversee good governance. The Cabinet Secretary ensures rotation of key council positions to ensure continuity upon retirement or expiry of their terms.

ii) The Role and Functions of the Council

Section 35(1) (a) of the Universities Act, No. 42 of 2012 provides for the following roles of the Council to:

- a) Employ staff
- b) Approve the Statutes of the University and cause them to be published in the Kenya Gazette
- c) Approve the policies of the University
- d) Approve the budget

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- e) Recommend for appointment of the Vice Chancellor, Deputy Vice Chancellors and Principals of Constituent Colleges through a competitive process; and
- f) Undertake other functions set out under the Act and MMUST Charter.

iii) Committees of the Council

The Council has various committees that enable it perform its functions with more specialised skills. These committees are headed by a member who's training and professional skills are amenable to offer good work.

The Audit, Governance and Risk Management Committee has in place an approved Audit Charter that spells out the responsibilities of the Committee. It details the type of work and powers that the Committee has. The purpose of the Charter is to assist the Council members in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the University's process for monitoring compliance with laws and regulations and the Code of Conduct.

The following are the Committees of MMUST Council:

- a) Planning, Finance and General Purposes Committee
- b) Academics, Students Affairs, Research, Innovation and Development Committee.
- c) Human Resource Committee
- d) Audit Committee

iv) Full Council and Committee Meetings

The Council and its committees made several meetings in the financial year 2022/2023. The following are the meetings attended by each Council member in their respective committees and Council.

Table 1: Full Council meetings for 2022/2023

	14/7/22(18th Special)	3/8/22(19th Special)	28/09/22(11th Council)	13/10/22(20th Special)	18/11/22(21st Special)	8/12/22(12th Regular)	9/12/22(22nd Special)	13/01/23(23rd Regular)	24/01/23(24th Special)	9/2/23(25th Special)	7/3/23(13th Regular)	29/6/23
Dr. Musangi J. Mutua	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Ms. Jacqueline Muthoni Mwangi	x	✓	x	✓	✓	x	x	x	x	x	✓	x
Ms. Lucy Mugwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Mr. Joshua Onyango	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Mr. Stephen Mutoro	✓	✓	✓	x	✓	✓	x	✓	✓	✓	✓	x
Ms. Connie Okwisa Mogaka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x

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Mr. Gad Gathu Kiragu	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Mr. Peter Muhia Wanjiku	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof. Solomon Shibairo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Pamela Sitienei	x	x	x	x	x	x	x	x	x	x	x	
Dr. George Lutomia	x	x	x	x	x	x	x	x	x	x	x	
Mrs. Susan N. Nyasinga, HS C	x	x	x	x	x	x	x	x	x	x	x	
Dr. Kennedy Ochieng' Oluong'o	x	x	x	x	x	x	x	x	x	x	x	
CPA Grace W. Kimotho	x	x	x	x	x	x	x	x	x	x	x	
Ms. Dorothy N.O. Kimeu	x	x	x	x	x	x	x	x	x	x	x	
Mr. Bathlomew W. Wanikina	x	x	x	x	x	x	x	x	x	x	x	

Table 2: The Planning, Finance and General Purposes Committee Attendance for 2022/23

	NAME	8/7/2022 (10 th Regular)	14/09/2022 (8 th Special)	6/10/2022 (11 th Regular)	6/01/2023 (12 th Regular)
1	Prof. Solomon I. Shibairo	✓	✓	✓	✓
2	Mr. Joshua Onyango	✓	✓	✓	✓
3	Ms. Connie Okwisa	✓	✓	✓	✓
4	Ms. Lucy Waithira Mugwe	✓	✓	✓	✓
5	Mr. Peter Muhia Wanjiku	✓	✓	✓	✓

Table 3: Academics, Students Affairs, Research, Innovation and Development Committee.

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	NAME	4/8/2022 (9 th Regular)	20/9/2022 (5 th Special)	11/11/2022 (10 th Regular)	29/11/2022 (6 th Special)	23/1/2023 (7 th Special)	23/2/2023 (11 th Regular)
1	Prof. Solomon I. Shibairo	✓	✓	✓	✓	✓	✓
2	Ms. Connie Okwisa Mogaka	✓	✓	✓	✓	✓	✓
3	Mr. Stephen Mutoro	✓	✓	✓	✓	✓	✓
4	Ms. Lucy Waithira Mugwe	✓	✓	✓	✓	✓	✓
5	Mr. Peter Muhia Wanjiku	✓	✓	✓	✓	✓	✓

Table 4: The Human Resources Management Committee

	NAME	8/9/2022 (9 th Regular)	4/11/2022 (10 th Regular)	21/2/2023 (11 th Regular)
1	Mr. Gad Gathu Kiragu	✓	✓	✓
2	MS. Lucy Mugwe	✓	✓	✓
3	Mr. Joshua Onyango	✓	✓	✓
4	Ms. Jacqueline Mwangi	X	X	X
5	Prof. Solomon I. Shibairo	✓	✓	✓

Table 5: The Audit Committee

	NAME	7/9/2022 (9 th Regular)	27/10/2022 (10 th Regular)	12/1/2023 (1 st Special)	23/2/2023 (11 th Regular)
1	Mr. Gad Gathu Kiragu	✓	✓	✓	✓
2	Ms. Lucy Mugwe	✓	✓	✓	✓
3	Mr. Peter Muhia Wanjiku	✓	✓	✓	✓
4	Mr. Stephen Mutoro	✓	✓	✓	✓
5	Ms. Jacqueline Muthoni Mwangi	X	X	X	X

Key:

- ✓ = Attended
- X = Not attended

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v) Remuneration of Council

Council members are remunerated for their services in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority. In line with best practice, the remuneration should include base pay, attendance allowances and bonuses.

The following shall apply:

i) Chairman

(a) Monthly Honoraria

A monthly taxable honorarium of up to a maximum of Kshs.80, 000 may be paid to the Chairman.

(b) Telephone Services for Chairman only

(i) Mobile phone airtime; up to a maximum of Kshs.5, 000/= per month.

(ii) Land-line prepaid telephone card: up to a maximum of Kshs.2, 000 per month.

2) All Members

(a) Sitting Allowance

A taxable sitting allowance of up to a maximum of Kshs.20, 000/= per sitting may be paid to Chairman and members. In addition, sitting allowance may be payable when on official duty in and outside the country.

vi) Conflict of Interest

Conflict of interest may arise where a Council member or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Council member's official duties and responsibilities. Conflict may also arise where a Council member uses their office for personal gain.

Council members are required to avoid conflict of interest and deal at arm's-length in any matter that relates to the organization. However, a Council member who identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the Council. In so reporting, the Council member is required to provide all relevant information, including information which relates to their immediate family members by blood or marriage which is related to the area of conflict. When declared, the Council member shall abstain from decisions where the conflict exists.

The Corporation Secretary should keep a record of conflicts of interest declared, for accountability purposes, and as a rule of good practice on appointment and on regular intervals or at any time when circumstances change, all members shall in good faith disclose to the Council for recording, any other business or interest likely to create a potential conflict of interest.

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vii) Evaluation of Council Performance

The Council will conduct an annual evaluation to appraise its performance. This evaluation will be carried out in accordance with the Council Evaluation Tool. The Council evaluation provides an opportunity for Council members to identify strengths, collective skill gaps and individual areas of improvement. The Council will also review the performance of each committee against the agreed Terms of Reference.

The Council will also evaluate the performance of the CEO and Corporation Secretary.

viii) Process of appointment and removal of Council members

i. The relevant appointing authority shall select and appoint Council members. Every appointment shall be by name and by notice in the Kenya Gazette but shall cease if the Council member:

- (a) Serves the appointing authority with a written notice of resignation; or
- (b) Is absent, without the permission of the Chairperson, from three consecutive meetings; or
- (c) Is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding twenty thousand shillings; or
- (d) Is incapacitated by prolonged physical or mental illness from performing his duties as a member of Council; or
- (e) Conducts himself in a manner deemed by the appointing authority to be inconsistent with membership of Council.

ii. Any removal of a Council member under (i) above, shall be through formal revocation.

iii. The Corporation Secretary will ensure that a record of the appointment letter, gazette notice and written acceptance by the Council member are kept in the personal file of the Council member.

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9. MANAGEMENT DISCUSSION AND ANALYSIS

a) Operations and Financial Performance

The University realized revenue of Kshs 3,036M in the FY 2022/2023. This was a drop in performance from Kshs. 3,167m realized in FY 2021/2022 hence resulting into a marginal revenue drop of 4%. The drop is attributed to poor performance in tuition fee and related charges and decline in PSSP Students which reduced by Kshs. 120m to Kshs. 1,152m in FY 2022/2023 down from Kshs. 1,305m in FY 2021/2022. The realized total revenue in FY 2022/2023 was 96% of the annual target of Kshs. 3,647m. The recurrent grants remained the same at Kshs.1, 762m in 2022/2023. Recurrent Grants achieved Kshs. 1,762m against a target of 1,762m realizing 100%.

The University expended Kshs. 3,073m in the year under review with employee costs incurring Kshs. 2,304m which is 75% of the total expenditure. Academic expenses towards the core mandate of the University constituted Kshs. 288m which is 9% of the total expenditure. From these indicators it is clear that employee costs will continue to take a large portion of recurrent expenditures in the future.

The University recorded a drop in surplus from Kshs 16m in 2021/2022 to Kshs (37) m in 2022/2023. This reduction in performance is explained by decrease in Tuition and related revenues which was due to some students deferring their studies owing to hard economic times.

In terms of contribution to revenue by source, in FY 2022/2023 Recurrent Grants contributed 58% to all operating income followed by Tuition and related revenues at 38% with the other sources namely Research Grants, IGU and Other income sources contributing 1.5%, 0.5% and 2% of the total revenue respectively. There is urgent need to improve other sources of revenue other than recurrent grants from the National Government to ensure financial sustainability of the University in the future.

Table 9.1: Comparative Income Sources

Year	2022/2023	% age	2021/2022	% age	2020/2021	%age	2019/2020	%age
Revenue Source			Kshs (m)		Kshs (m)		Kshs. (M)	
Recurrent Grants	1,762	58	1,762	56	1,900	62.7	1,852	57.4
Tuition & Related Charges	1,153	38	1,305	41	1,065	35.17	1,280	39.7
Research Grants	44	1.5	34	1	23	0.77	41	1.3
IGU	16	0.5	20.7	0.66	18	0.60	19	0.6
Other Income	60	2	44.7	1.4	24	0.73	33	1.0
TOTAL	3,036	100	3,167	100	3,030	100	3,225	100

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Table 9.2: Comparative growth in revenue and surpluses

Year	2023	2022	2021	2020	2019	2018
	Kshs. (M)	Kshs. (M)	Kshs. (M)	Kshs. (M)	Kshs. (M)	Kshs. (M)
Revenues	3,036	3,167	3,028	3225	2,984	2,967
Operating Surplus (Deficit)	(37)	16	258	296	248	133
Net Profit Percentage	(1.2)	0.5	8.5	8.9	8.3	4.5

Over the last four years we have continued to realize positive results as indicated in table 8. In the current year the university recorded 0.5% in surplus over the previous year an indication of financial efficiency over tough operating environment. With the on-going reforms the University will continue to look at all possible ways of maintaining the reported growth in order to allocate resources

Table 9.3: Comparative Financial Position and ratio Analysis

Year	30.06.23	30.06.22	30.06.21	30.06.20	30.06.19
Assets	Kshs. (M)	Kshs. (M)	Kshs. (M)	Kshs. (M)	Kshs. (M)
Non- Current Assets					
Property & Equipment & Others	5,640	5,093	5,044	5088	5,099
Total Non- Current Assets	5,640	5,093	5,044	5,088	5,099
Current Assets					
Inventories	14	25	36	40	22
Accounts Receivables	995	842	1201	1061	1529
Cash & Bank Balances	517	562	517	480	361
Total Current Assets	1,526	1,431	1754	1583	1912
TOTAL ASSETS	7,168	6,524	6,798	6671	7,011
EQUITY & LIABILITIES					
Capital Reserves	4,185	5893	6,025	5,643	5,886
Revenue Reserves(P&L)	(37)	16	258	296	428
Total Equity	4,148	5,909	6,282	5,932	6,314
Total liabilities	693	621	517	732	697
TOTAL EQUITY & LIABILITIES	7,168	6,524	6,798	6,682	7,011
Key Ratios					
(i) Current Ratio	2.2	2.35	3.40	2.19	2.74
(ii) Acid Test Ratio	2.18	2.31	3.336	2.13	2.71
(iii) Debt to Assets Ratio	0.12	0.095	0.075	0.11	0.10
(iv) Total Assets Turnover	0.42	0.48	0.45	0.5	0.6
(v) Return on Investments (ROI)	0	0.25	4.0	5.0	3.9

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Table 9.3 shows the growth of the University over a five-year period. The total assets increased from Kshs.6,524m in 2022 to Kshs. 7,168m in 2023. The total liabilities have decreased over the years.

Key financial ratios are indicative of a strong financial position with liquidity covered by more than 1 across all the years. Debts assets ratio shows only 12% debt on our balance sheet in FY 2022/2023.

Return on Investment decreased from 0.25% in 2021/2022 to 0% in 2022/2023. This is an indication of depressed surplus owing to increased costs of operations in the year.

Management continues to deploy relevant strategies to ensure that all required minimal standards in terms of prudent financial management are complied with.

b) Compliance with statutory requirements

The University has complied with all financial statutory requirements namely Pay as You Earn, Value Added Tax, Withholding Tax, National Social Security Fund, National Hospital Insurance Fund, National Industrial Training Act Levy, Pension remittances and statutory reporting requirements. The Management has put in place a robust system to ensure that all timelines with respect to statutory obligations are met without any deviations from the set statutory dates. The University prepares and submits quarterly reports and financial statements as required under Section 83 of the Public Finance Management Act, 2012

c) Key Investments

The University implemented the following investments in the FY 2022/2023

	Project	Total project Cost	Contribution on delivery Mandate	on Project Sustainability Statement	Source of Funding	Actual
1	Swimming Pool	93,719,180	Enhances training of physical education students	Charge reasonable user fees to take care of operations & maintenance of the asset	Internally generated revenues (AIA)	27,491,429
2	Foot Bridge	11,419,395	Enhances accessibility of various installations	Continuous maintenance to ensure usability	Internally generated revenues (AIA)	4,407,300
3	Engineering Complex	716,991,230	Enhances training of Engineering and Technical skills	Charge reasonable user fees to take care of operations & asset maintenance.	GoK Development Grants	45,976,130

d) Risks facing the University

The University activities are exposed to a number of risks that include credit risks, liquidity risks and operational risks among others. Management has put in place various strategies to mitigate the risks. Student debtors remains a key risk area for the University since the average collection period extends beyond the industry

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benchmarks which is two (2) months. The University has developed an elaborate Risk Register for implementing its risk strategies.

e) Material arrears in statutory/Financial obligations

The University has complied with all financial statutory obligations and has a Tax Compliance Certificate (TCC) valid until 6th September 2024. However, during routine compliance audit conducted in May 2023, KRA raised a tax demand for Value added tax (VAT) and Corporation tax for the period 2013/14 to 2022/23 amounting to Kshs 9,821,990.61 and Kshs 7,135,244.29 in principal taxes respectively. The University raised an objection that they are not liable for corporation tax obligation. KRA responded by allowing the University to amend corporation tax returns accordingly provided that there are evidences to support the claim and negotiate a payment plan for VAT principal, interest and penalties. Management has entered into a payment plan with KRA on the issue of VAT assesment in three instalments beginning September 2023. This agreement brought the matter to closure and issuance of TCC.

f) The entity's financial probity and serious governance issues

There was no financial probity and governance issue during the year under review.

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10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

(i) MMUST Sustainability Statements

Masinde Muliro University of Science and Technology sustainability agenda is focused on meeting the needs of the present without compromising the ability of the future generation in meeting their needs. MUST is committed to meeting the environmental, Social and governance, (ESG), standards and expectations, MUST sustainability refers to doing business responsibly, empowering, protecting future generation and building resilient institution to adapt to challenging environment, The University has invested in the community through sustainable, social and environmental activities and partnerships.

As part of sustainability practice, we have in place an enterprise risk management practice system that take a net -risk approach which ensures that our leadership is fully and timely informed about significant risks.

Corporate social responsibility (CSR), is one of the University's core business as provided by the universities Act 2012 of laws of Kenya's helps in creating a sense of goodwill between the university and its internal and external stakeholders, Through CSR initiatives, MMUST seek to integrate the interest of all stakeholders including employees, students, partners and the community in its business operations and values. CSR initiatives include: field courses, student community outreach activities, annual Agribusiness trade fair and exhibitions, environmental conservation and sustainability, donating to charities and sponsoring local events. Towards this end, the following activities were carried out to support CSR in 2022-2023 FY.

The university has established a botanical garden around the premises characterized with the same ecological composition similar to Kakamega Forest ecosystem. There are more than 120 natural indigenous trees species within the botanical garden with about 70% of the plants believed to be of medicinal importance. In this natural indigenous forest cover there are clean water springs and streams. The botanical garden, measuring an average of 500m wide runs around the university from the south, east and to the north buffering the university from the community settlements and other land use activities of Kakamega town. The botanical garden provides a climate and environmental quality moderation function, an ecological seed bank, a suitable research facility and also a cultural focus

The university grounds are provided with surface drainage channels collecting runoff from the pavements and open grounds forming a network of lined and earth channels towards the Umvira Stream flowing through the botanical garden. The stream also picks runoff from areas outside around the university grounds. The university is well provided with adequately sized surface drains, there are no signs of local flooding around the premises that is associated with the effective slope toward the stream.

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(ii) Environmental Conservation.

Green Energy Initiatives at MMUST

MMUST has a vision to fully adopt a Green Circular Economy. This will include green operation at all levels. Towards this end, the university has taken deliberate steps to harness solar energy. The first phase of the project has been completed and is currently in operation. This first phase comprises of a carport mini solar farm at the main parking lot between main library and main administration block. The system is as follows;

- i. Grid tied hybrid 30 kWp system for the main administration block with 1000 Ah storage capacity.
- ii. Grid tied hybrid 25 kWp system for the main library block with 500 Ah storage capacity.

Plans are underway to expand solar electric power to other sections /buildings of the university and ensure that the university's electrical power needs mostly come from solar energy.

University participated in a tree planting exercises various parts of the county. The MMUST Greening Initiative Committee, MMUST chapter of the Youths for Greening Action Kenya (YGAK) and Dean of Students office, together with other partners organized a one hundred thousand (100,000) tree planting exercise in Mau Forest, Narok between 22nd to 28th May 2023. This exercise is the first phase of the larger *Future in a Million Trees* project. The project was allocated 100 acres by Kenya Forest Service (KFS).

**MMUST PARTICIPATES IN TREE PLANTING EXERCISE AT THE KAKAMEGA
TROPICAL RAINFOREST IN AN EFFORT TO COMBAT THE EFFECTS OF CLIMATE**

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CHANGE**



The Vice Chancellor, Prof. Solomon Shibairo share a moment with the CS for Health, Dr. Susan Nakhumicha.

On 2nd June, 2023, Masinde Muliro University of Science and Technology participated in a tree planting exercise at the Kakamega Tropical Rainforest in an effort to combat the adverse effects of climate change in the country. The exercise, organized by the Kakamega Forest Heritage Foundation aimed at supporting the national government's initiative of planting 30 billion trees by 2032, which will in turn contribute towards reducing greenhouse gas emissions, stopping and reversing deforestation as well as restoring large hectares of degraded landscapes. The event, which was attended by the Vice Chancellor, Prof. Solomon Shibairo and the Deputy Vice Chancellor, Planning Research and Innovation, Prof. Charles Mutai, was graced by the Cabinet Secretary for Health, Dr. Susan Nakhumicha.

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Dr. Nakhumicha, who also represented the Prime Cabinet secretary, Hon. Musalia Mudavadi at the event, stated that environmental issues have significant implications for human well-being, including health. She reported that the Ministry of Health has been actively promoting a shift from curative to promotive and preventive healthcare. To play a role in this, she encouraged the people to grow trees and take care of the environment noting that it will not only help in achieving this goal, but also contribute towards creating a healthier environment that will support the well-being of the people.

Additionally, Dr. Nakhumicha urged the participants including the local residents not to be swayed by misinformation regarding the proposed finance bill 2023 without thoroughly reading it first. She highlighted issues featured in the bill relating to health such as tax exemptions for manufacturers of pharmaceuticals, biopharmaceuticals and vaccines saying that the proposals made will see a reduction of cost of vaccines and pharmaceutical products as well as the improved accessibility

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The CS for Health, Dr. Susan Nakhumicha addressing participants during the event.

Notably, the CS had the opportunity to read the Prime Cabinet Secretary's speech which stressed on the government's determination to greening the country and reforestation of forests including the Kakamega tropical Forest.

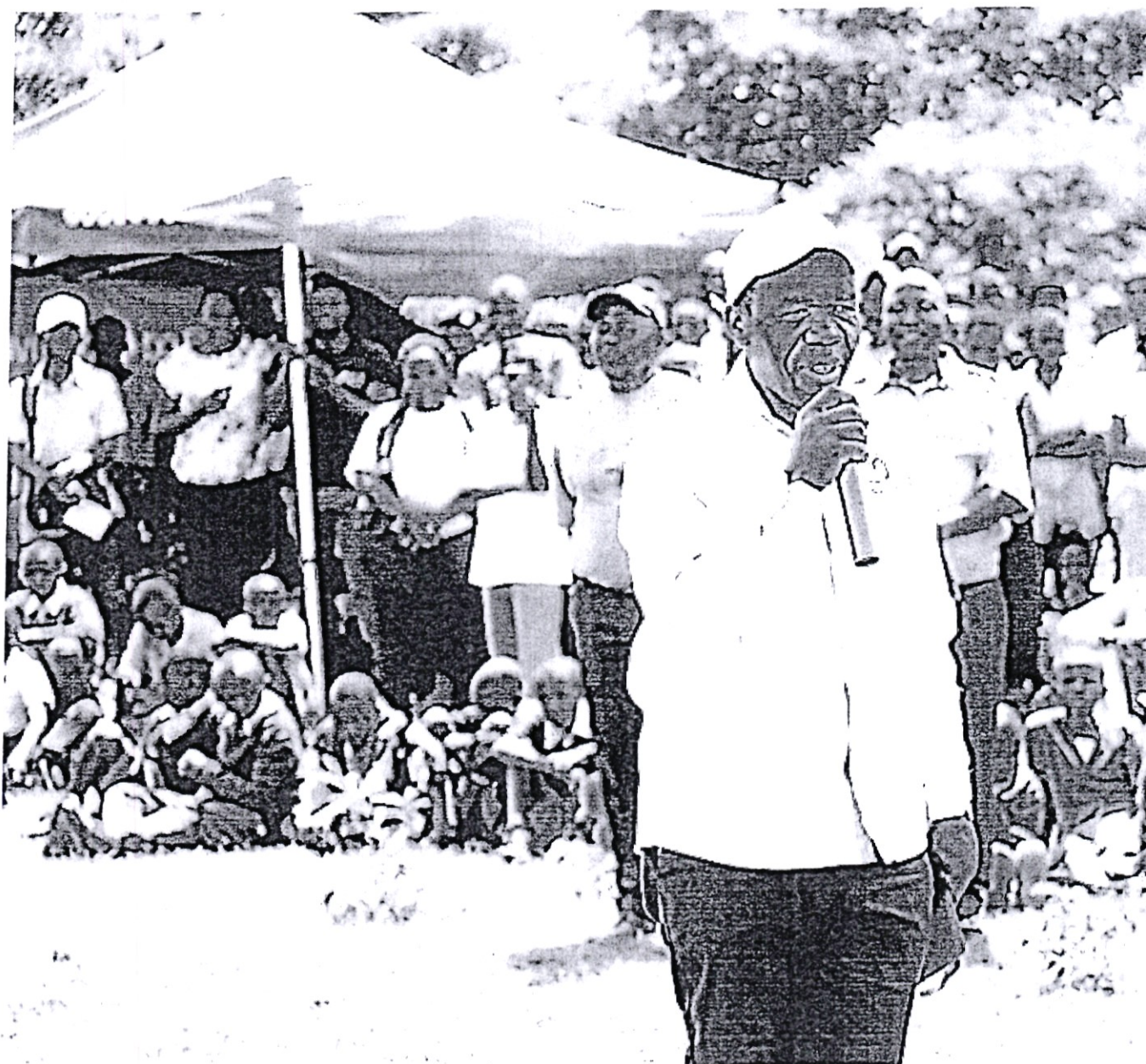
"Greening Kenya aims at mitigating climate change effects. As of today, our tree cover stands at 12.13% out of the targeted 30% by 2032 while the forest cover is now at 10%, half of the 20% target by 2030," read the speech. He acknowledged the efforts of the community in tree cover planting and forest cover afforestation, which he said, are extremely desirable and highly appreciated.

Speaking during the event, Prof. Shibairo noted that this is the fourth year into the University's and the Kakamega Forest Heritage Foundation's collaboration. He

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assured the foundation and participants of the University's undying commitment towards the noble cause of not only planting and growing trees but also educating the public on the relevance of the same.

Additionally, the renowned professor took the opportunity to explain to the public the vital role trees play in mitigating climate change. "When we plant trees, they support the environment by absorbing carbon dioxide (CO₂) from the atmosphere and converting it into oxygen while storing the carbon. This process helps to reduce the concentration of CO₂ in the atmosphere, thereby mitigating the greenhouse effects and climate change," explained Prof. Shibairo. He urged the people to grow trees, saying that it is one of the most important things we can do to contribute to the health of the planet.



Prof. Solomon Shibairo making a presentation after the tree planting exercise.

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Prof. Mutai further echoed the Vice Chancellor's statement, assuring the attendees and the Kakamega Forest Heritage Foundation of the University's support.

The Kakamega Forest Heritage Foundation Chief Executive Officer, Mr. George Murilla pointed out that the Kakamega Tropical Rainforest has the uniqueness of being the last and only surviving remnant of the great and ancient Guineo-Congolian Tropical Rainforest. Renowned for its unique character and high biodiversity among Kenyan forests, the environmentalist stressed that it is crucial that we look after it and conserve it.

"MMUST has been a great partner with us not only in tree planting but also in the marathon. I urge you to continue. As of today, we shall have planted approximately 76 hectares of the 100 hectares apportioned to the Kakamega Forest Heritage Foundation by the ministry of Environment, Climate Change and Forestry," said Mr. Murilla.

The trees were donated by the Kenya Plant Health Inspectorate Service (KEPHIS), Kenya Agricultural and Livestock Research Organization (KALRO), National Environmental Management Authority (NEMA), Ministry of devolution, Bukura Agricultural College, Kenya Wildlife Service, Institute of Certified Public Accountants (ICPAK) and the Ministry of Water.

Research indicates that climate change is the defining issue of our time and we are at a defining moment. The shifting weather patterns that threaten food production to rising sea levels that increase the risks of catastrophic flooding confirms the impacts of climate change are global in scope and unprecedented in scale. We are advised that without drastic actions today, adapting to the impacts of these changes or events will be more difficult and costly. We have the opportunity, time, resources and goodwill to reverse the devastating situation. Let us plant and grow more trees for our future

(iii) Employee welfare

The University continues to take the welfare of its staff very seriously and as such has developed and implemented various policies and regulations. Negotiations for Staff welfare CBA are ongoing.

The following have been achieved in this area:

- i) Approval of Human Resource Policy Manual 2017
- ii) Terms of Service 2016
- iii) Negotiated three internal CBAs with unions.
- iv) Conducted staff training needs assessment.
- v) Conducted and effected staff promotions
- vi) Established Occupational Safety and Health Committee in compliance with OSHA 2007
- vii) Provided protective devices for staff working in risky areas.
- viii) Implemented Health Workers Allowances as per SRC Circular
- ix) Trained and mentored staff on new skills in various areas.

(iv) Market place practices

MMUST efforts as a responsible service provider are as follows:

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a) Responsible competition practice.

- i) All our charges are approved after all stakeholder consultations
- ii) We conduct all our procurements in accordance with the law.
- iii) We do not condone corruption in all our dealings
- iv) We are apolitical as an institution of higher learning

b) Responsible Supply chain and supplier relations

MMUST continues to adopt best practices in its dealings with its suppliers and creditors by performing the following:

- i) Carrying out prequalification of suppliers
- ii) Promoting transparency and competitiveness in the tendering process
- iii) Compliance with the law in procurement
- iv) Prompt settlement of supplier accounts
- v) Timely resolution of supplier complaints

c) Responsible marketing and advertisement-

MMUST ensures responsible marketing and advertisement as follows:

- i) Allocate marketing opportunities equally to all players
- ii) Review of advertisement content and ethical selection of channels
- iii) Prompt payment to service providers

d) Product stewardship

MMUST consolidates its offerings through:

- i) Differentiated product offering
- ii) Market research to inform consumer needs
- iii) Quality service delivery.

(v) Corporate Social Responsibility/Community Engagement

The University participated in **Agribusiness Trade Fair** and contributed to the theme for this year's Agribusiness Trade Fair countrywide one of them was: *"Enhancing Food Security through Technological Innovation and Trade for Sustainable Development"*

The Agribusiness Trade Fair is a major outreach event in the University calendar with the aim of providing knowledge to the community through training and practical exhibitions by agribusiness industry players and academia to enhance food and nutritional security. The event provide forum where the University interact with farmers and interested partners from the neighboring counties in kakamega and beyond by creating a conducive atmosphere for learning new technological agribusiness innovations as well as an opportunity to interact directly with the agribusiness industry partners.

The university participated in various activities key among them are, Visit to Kakamega school for the deaf.

MMUST COMRADES PRACTICE THE GOLDEN RULE AS THEY VISIT LEARNERS AT THE KAKAMEGA SCHOOL FOR THE DEAF.

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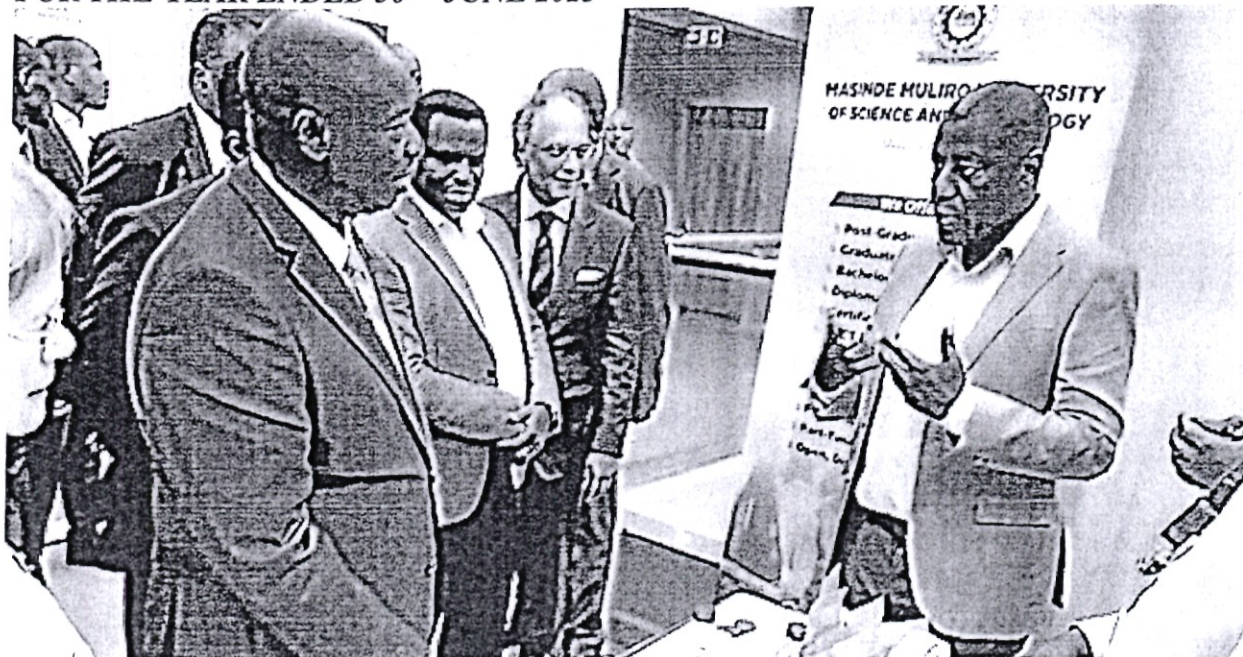


MMUST comrades together with learners of Kakamega School for the Deaf during the charity event.

Masinde Muliro University of Science and Technology (MMUST) Comrades from different associations and clubs within the University yesterday, 13th November 2022, touched the lives of learners at the Kakamega School for the Deaf. They carried out a charitable event where they issued an assortment of donations including foodstuffs, stationery, and sanitary towels to the learners. The MMUST students also engaged in cooking, cleaning, and weeding flowers

MMUST initiated and launched innovation product for community and some presented as exhibit for Innovation challenge at National awards
MMUST EXHIBITS ARRAY OF INNOVATIONS AT THE KENYA HEALTH CARE
SCIENCE INNOVATION CHALLENGE ANNUAL AWARDS

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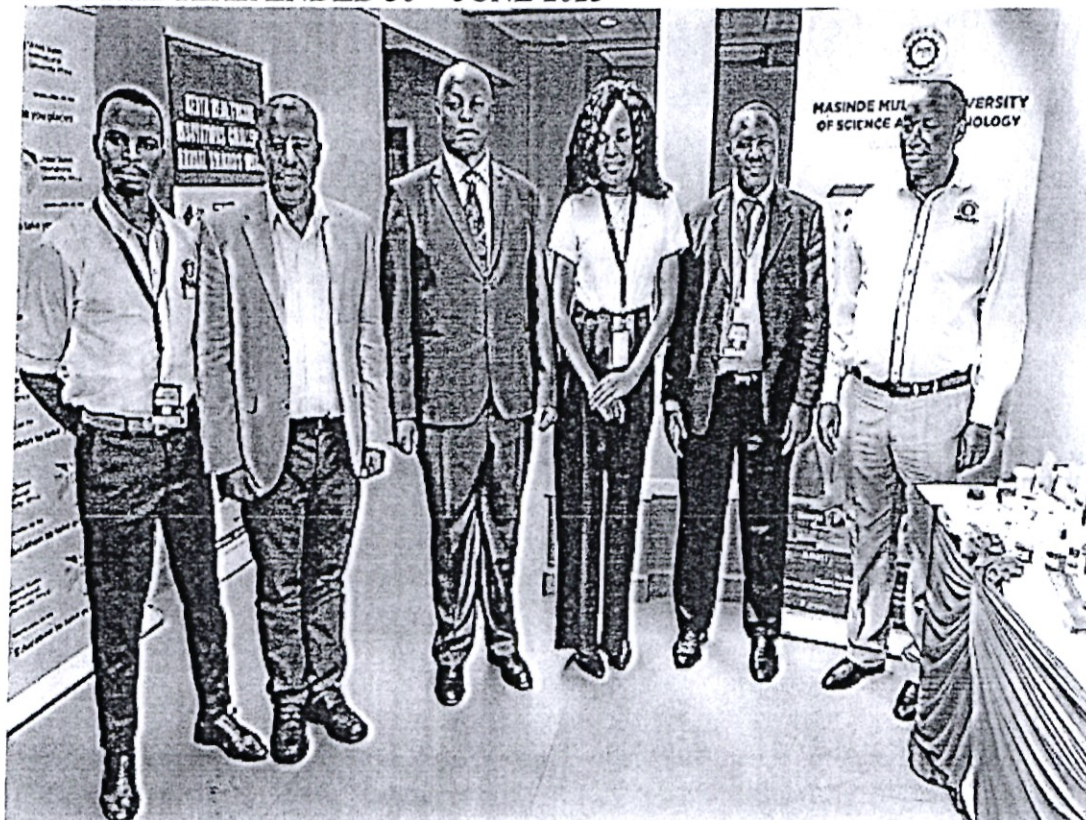


The Director, Science Park Innovation and Incubation Centre, Prof. John Muoma explains a point to the Deputy President, H.E Hon. Rigathi Gachagua.

Masinde Muliro University of Science and Technology (MMUST) exhibited an array of innovations at the Kenya Health Care Science Innovation Challenge Annual Awards held on 25 and 26 November 2022 at the United States International University (USIU), Africa. This 1st Pharmaceutical Science of Kenya Healthcare Innovation Annual Challenge Award was aimed at providing a platform for innovators in academia and industry to showcase their innovation with the aim of identifying potential partners.

The event was graced by the Deputy President, H.E Hon. Rigathi Gachagua who was invited by the Governor of Tharaka Nithi, Prof. Muthomi Njuki who is the representative of governors in the Health Committee in the Council of Governor's forum. Hon. Gachagua noted that this event has come at an opportune moment when Kenya had come out of the Covid-19 pandemic with an experience to improve the health sector by changing its approach to research and technology development. The DP encouraged the development of the pharmaceutical sector by developing industries through research and innovation to help in achieving the government's objectives.

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MMUST team at the Kenya Health Care Science Innovation Challenge Annual Awards.

Similarly, Prof. Muthomi Njuki encouraged recognition of all innovations irrespective of where they were developed by supporting Research and Development which is geared towards improving innovative capabilities in the community.

MMUST was represented by the Vice Chancellor, Prof. Solomon Shibairo, Deputy Vice-Chancellor, Planning Research and Innovations- Prof. Charles Mutai, the Director, Science Park Innovation and Incubation Centre- Prof. John Muoma, Prof. Stanley Omuterema, Dean- School of Medicine, Dr. Donald Kokonya, Chairperson - Department of Paramedical Sciences, Dr. Tecla Sum, Marketing Officer- Mr. James Muriithi and Mr. Jairus Korir who represented Prof. Asenath Sigot.

The Director, Science Park Innovation and Incubation Centre, Prof. John Muoma explains the innovations of the University.

The University showcased various innovations including eKonnnect tracer app, Infedwall app, water purifier, and MMUST healthcare products. These are products for which we are seeking partners who can develop and improve our University profile and find alternative funding for the innovative projects. The two-day meeting was also attended by Principal Secretary, Amb. Simon Nabukwesi and Principal Secretary, Dr. Kevit Desai encouraged participants to continue to dialogue and see how best to improve biomedical technology and E medicine.

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The theme of the event was aligned with making healthcare and its products accessible to all through innovation and product development. Ten universities were represented in the meeting with MMUST and Kisii Universities from western Kenya. The initiative is to foster cooperation among the participating universities and partners from the UK.

MMUST engagement in community Leadership and Team capacity building trainings.

MMUST initiated and engaged various stakeholders in Leadership, training and capacity building. The training targeted to upscale capacity and team building for county assembly members to enhance soft skills for service delivery.

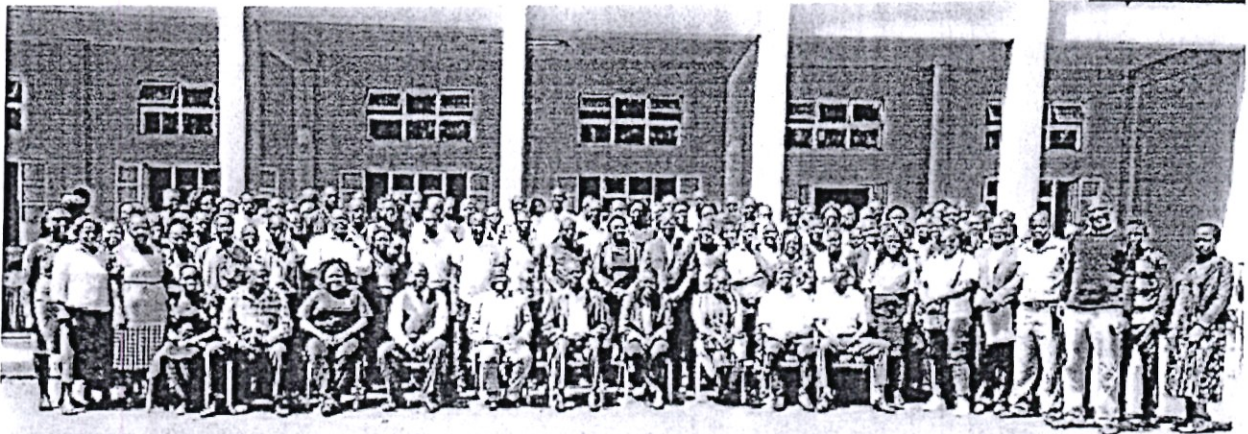


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MMUST Implementation of Competency Based Curriculum Core Values, Findings by MMUST Researchers Reveal.

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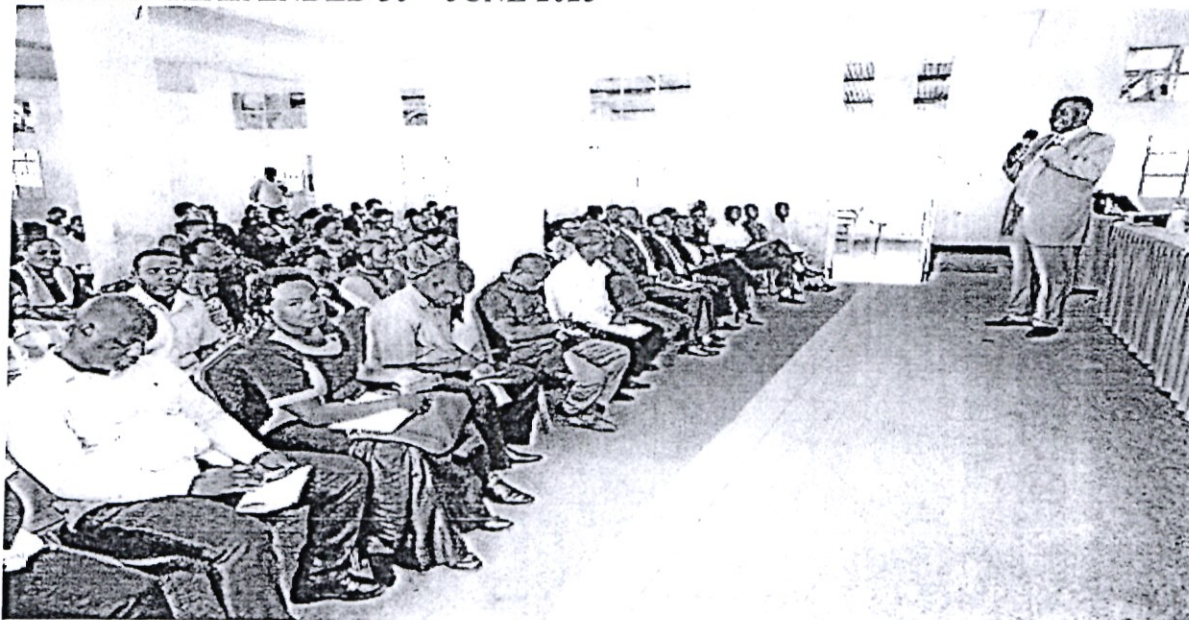


The workshop participants.

A team of researchers led by the Associate Dean, the School of Education, Prof. Kennedy Bota has revealed that there are still gaps in the implementation of Competency-Based Curriculum (CBC) Core values. This was during a one-day dissemination workshop held on 26th May, 2023 at Mbale Boys High School. The core values include Responsibility, Love, Respect, Unity, Peace, Integrity, and Patriotism. Core values are critical in shaping students' attitudes, beliefs, and ideas, helping them develop into undeterred and morally strong individuals. Their research titled '*Examining Parents' and Teachers' Views in Relation to the Core Values of the Competency-Based Curriculum*', is among the many researches funded by the University Research Fund (URF).

The event was graced by the Director, Privately, Sponsored Student Programs, Prof. Benedict Alala who represented the Deputy Vice-Chancellor (Planning, Research, and Innovation). Prof. Alala noted that the most important component of this new curriculum is value-based learning where teachers are encouraged to infuse values in their lessons to ensure an all-rounded learner.

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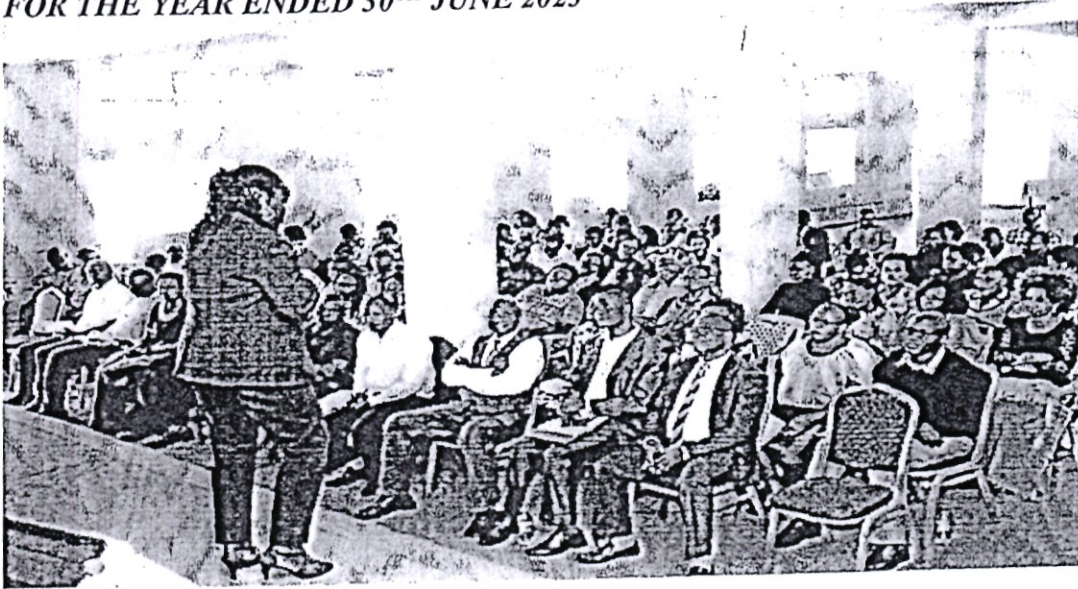


The Principal Investigator, Prof. Kennedy Bota addressing the participants.

The Principal Investigator, Prof. Kennedy Bota stated that parental engagement in a learner's learning process is credited with the benefits of improving children's behavior and development of moral values. He further said that as a research team, they have identified parental engagement as another gap and will base their next study on it.

"The study recommends sensitization of parents on their roles in the development of the values of their children. We also encourage you to collaborate with parents for the successful implementation of CBC. If these values are well effectively inculcated, we can have a corrupt free country," he added.

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The Co- Principal Investigator, Prof. Winnie Muchera making a presentation at the workshop.

A section of MMUST comrades preparing meals for the learners.



A section of MMUST comrades preparing meals for the learners.

The donations were courtesy of the contributions from the students and well-wishers from the University. The comrades prepared and shared meals with the learners as a bonding mechanism. This was also an expression of love and care to the learners. Charities play an essential role in society. It gives a deeper meaning of life to the less privileged in the communities.

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**THE SCHOOL OF DISASTER MANAGEMENT AND HUMANITARIAN ASSISTANCE
(SDMHA) COMMUNITY OUTREACH ACTIVITY.**



The Director, Mukumu Children's home, Ms. Grace Atieli (centre), together with MMUST students.

The School of Disaster Management and Humanitarian Assistance (SDMHA), in collaboration with the Kenya Red Cross Society- Kakamega branch, has today, 8th May 2023, conducted a community outreach at Mukumu Children's Home in commemoration of the World Red Cross Day. The celebration themed, '*Everything we do comes #fromtheheart*' is marked on May 8 every year.

This outreach steered by the Dean- SDMHA, Dr. Ferdinand Nabiswa, involved SDMHA students who are members of the Kenya Red Cross Society and are currently undertaking their attachments at the Kakamega branch. It encompassed various activities including a donation of assorted items, cleaning, sharing meals, and interacting with children.

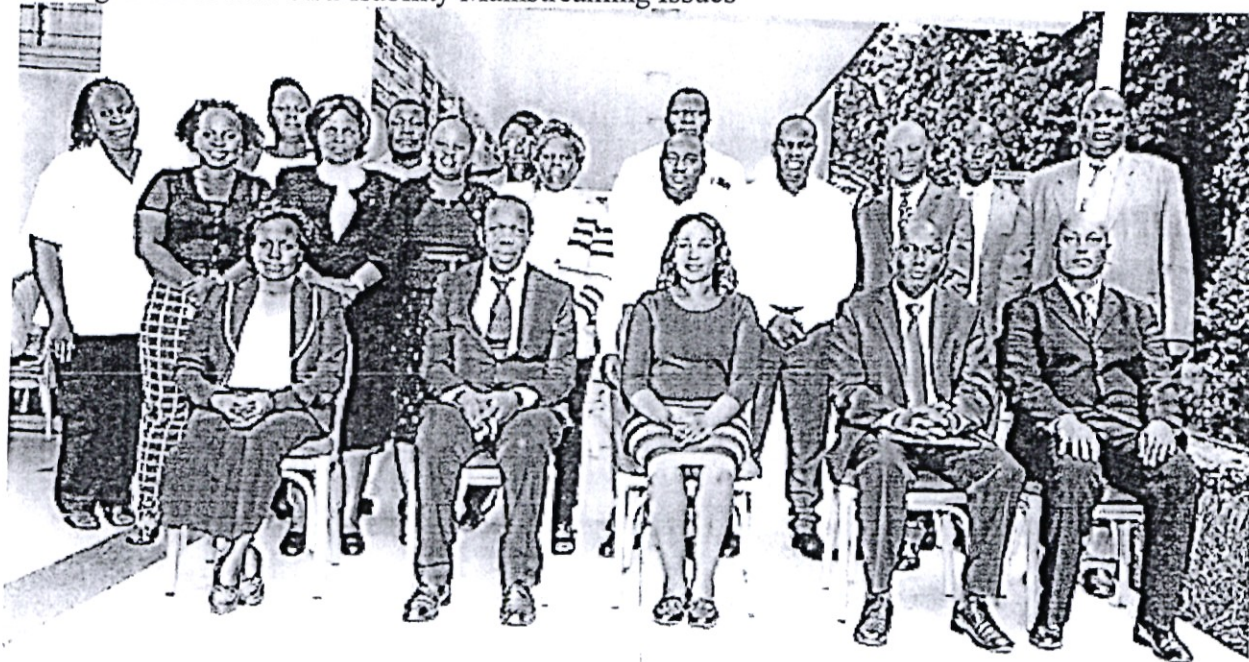
The Director, Mukumu Children's Home, Ms. Grace Atieli appreciated MMUST for their kind gesture

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National Council for People with Disabilities (NCPWDN) Sensitizes MMUST University Management Board on Disability Mainstreaming Issues



Workshop participants.

The National Council for People With Disabilities (NCPWD), on 16th May 2023 sensitized the University Management Board on the need to mainstream disability at the institution to meet the needs of students with disability. The purpose of this workshop was to create awareness of disability and to improve the living, and studying environment for people with disabilities at the University. This workshop organized by the AIDS Control, Gender and Disability Mainstreaming Unit led by Prof. Gladys Mengich, was held at Golf Hotel- Kakamega.

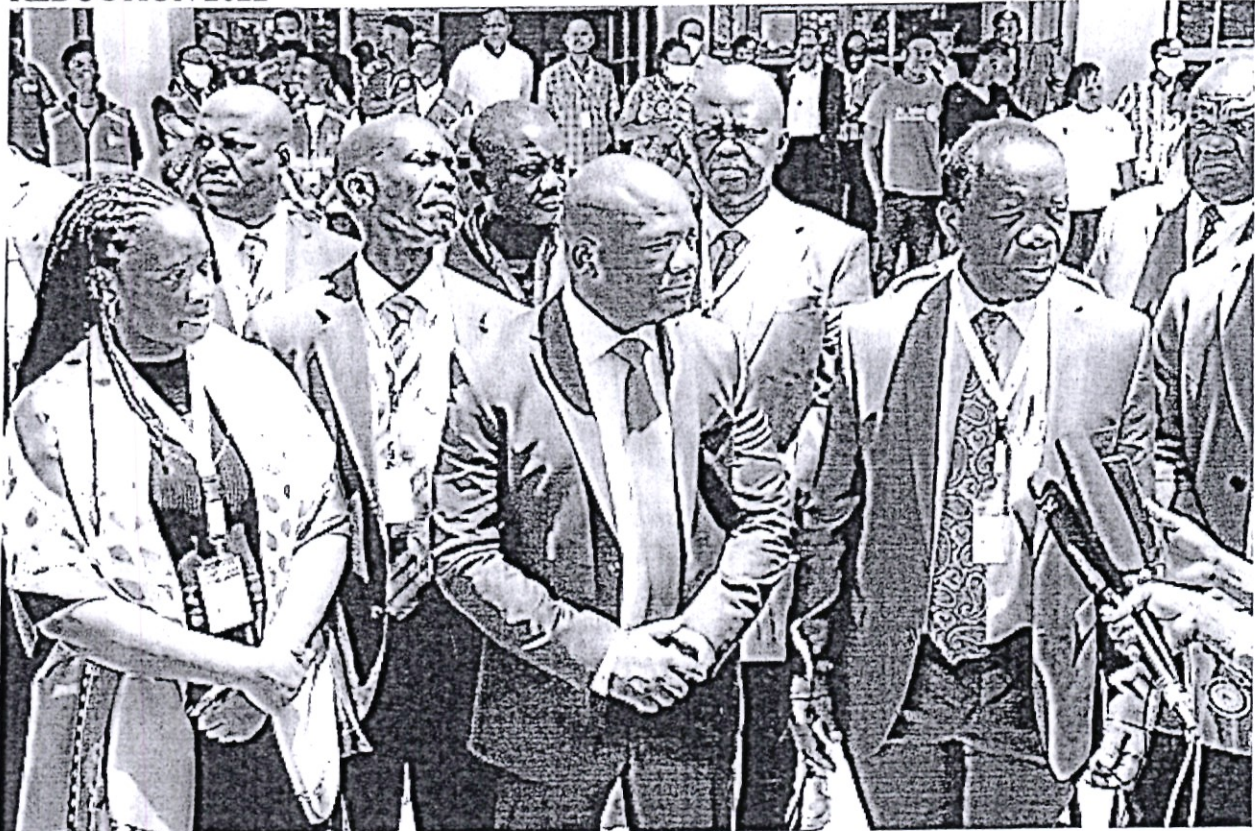
The event was graced by the Vice-Chancellor, Prof. Solomon Shibairo, noted that mainstreaming disability to promote the rights of persons with disabilities is a matter of basic social justice the University is keen to embrace. He further noted that University Management will do its best to ensure that the recommendations illustrated by NCPWD are implemented. The Vice-Chancellor was also accompanied by the Deputy Vice-Chancellor (Academic Affairs), Prof. Hussein Golicha, Deputy Vice-Chancellor (Planning, Research and Innovation), Prof. Charles Mutai, and the Deputy Vice-Chancellor (Administration and Finance) Prof. John Kuria Thuo.

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Clients

In line with improved service delivery through various directorates, trainings were held to enhance service delivery.

MMUST PICKED TO HOST THE 8TH NATIONAL SYMPOSIUM ON DISASTER RISK REDUCTION 2022



Masinde Muliro University of Science and Technology has been picked to host the two-day 8th National Symposium on Disaster Risk Reduction 2022. The event, which was officially opened by the Governor of Kakamega County, H.E FCPA Fernandes Barasa, and attended by the MMUST Vice Chancellor, Prof. Solomon Shibairo, kicked off today, 11th October, 2022 and will go up to tomorrow, 12th October, 2022 at the University Multipurpose Hall (MPH).

The highlight of the symposium will be the celebration of the 7th International Day for Disaster Risk Reduction (IDDRR), slated to take place on Thursday, 13th October, 2022 at the Bukhungu Stadium grounds, Kakamega County. The theme of the event is *'Early Warning and Early Action for All.'*

"Kakamega County is privileged to be the host of this year's twin events-the 8th National Symposium on Disaster Risk Reduction 2022 as well as the 7th International Day for Disaster Risk Reduction. As a County, we are ready and prepared to collaborate with the international agencies, the National Government and other stakeholders to tackle existing and future disasters. Welcome to Kakamega County, the green jewel!" said H.E FCPA Fernandes Barasa.

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The Governor also pointed out that climate change has affected the agricultural sector of the County and urged the residents of Kakamega to partner with the County and institutions such as MMUST to ensure that they conserve the environment, especially the Kakamega Tropical Rain Forest.

Speaking during the opening ceremony, Prof. Shibairo revealed that MMUST has the School of Disaster Management and Humanitarian Assistance, earmarked for training various professionals in disaster management. "It is an honour for MMUST to host both the symposium and the *IDDRR Day*. Let us always be prepared to handle disasters. MMUST has the expertise and is committed to train manpower to address disasters," stated the Vice Chancellor.

The event has been organized by several partners including; MMUST's School of Disaster Management and Humanitarian Assistance (SDMHA), the Kenya National Government, County Government of Kakamega, International Organization for Migration (IOM), the United Nations Office for Disaster Risk (UNDRR), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), World Vision, Kenya Red Cross, the United Nations Women, Kenya4Resilience and St. John Ambulance.

Some of the key presentations that marked the first day of the symposium were; '*Hazards and Disaster Risk Management Status in Kakamega County*,' presented by the County Director, Disaster Management, Ms. Abigael Chepkorir; '*Progress and Achievement in Sendai Framework Implementation in Kenya*,' presented by the Director, National Disaster Operations Center (NDOC), Mr. Charles Owino; '*Experiences and Good Practices in Early Warning for Early Action*,' presented by the Kenya Red Cross and '*Status of Weather and Climate in Kenya: The New Normal*,' presented by the Kenya Meteorological Department (KMD).'

To spice up the presentations, there was a roundtable discussion followed by an engaging panel discussion with participants on the '*Value of Early Warning for Early Action; Investing in Early Warning, Anticipatory Action and Effective Early Warning Communication*.'

The selection of MMUST to host an event of this magnitude is evidence that the University has gained national and global recognition in the area of disaster risk reduction. These are gigantic steps for MMUST as it partners with international entities to tackle the threat of manmade and natural disasters.

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Masinde Muliro University of Science and Technology Marks First Ever Gender Awareness Day



Participants pose for a group photo after the event.

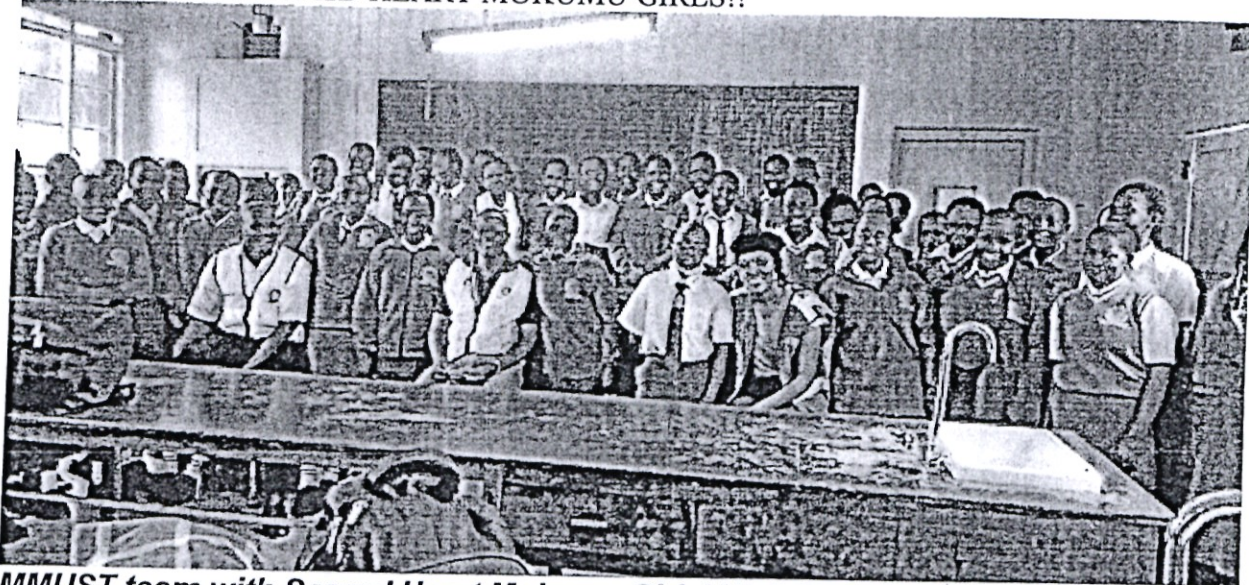
Masinde Muliro University of Science and Technology on 29th May, 2023, marked its first ever gender awareness day. The event themed '***The Gender Agenda***', was graced by the Vice chancellor, Prof. Solomon Shibairo who was accompanied by the Deputy Vice Chancellors Academic and Student Affairs as well as Planning, Research and Innovation, Prof. Hussein Golicha and Prof. Charles Mutai respectively. The memorable event was organized by the AIDS Control, Gender and Disability Mainstreaming Unit, under the leadership of the Coordinator, Prof. Gladys Mengich and attended by the University's teaching and non-teaching staff as well as students.

Speaking during the official launch of the event, Prof. Shibairo noted that the University believes in giving equal opportunity to all genders. He shared his journey on the same when he assumed office in the year 2020, quoting among many other accomplishments, having successfully promoted eight females to Associate Professors. Prof. Shibairo however, stated that he was disappointed for having promoted none to full professorship. He encouraged women to step up and take on leadership positions, saying that it is an important aspect of promoting gender equality and achieving a more balanced representation in various fields.

"We do not just promote women because we want to achieve the gender threshold. They must fulfil the requirements and that is what we are working on. I hope that soon, we will be promoting more women to professorship," said Prof. Shibairo.

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MMUST SELECTED TO OFFER PSYCHOSOCIAL SUPPORT AND COUNSELING SERVICES AT SACRED HEART MUKUMU GIRLS!!



MMUST team with Sacred Heart Mukumu Girls' High School students.

We are delighted to inform you that Masinde Muliro University of Science and Technology is among the institutions that have been invited to provide psychosocial support and counselling services at Sacred Heart Mukumu Girls' High School. This comes after the school's closure on 3rd April, 2023, due to a disease outbreak that left three (3) students and one (1) teacher dead, as well as many other students hospitalized. The exercise kicked off on Monday, 8th May, 2023, and will run up to Friday, 13th May, 2023.

MMUST's trauma and emergency medicine expert, Dr. Tecla Sum, is spearheading this exercise in the University, which involves faculty from the School of Nursing, Midwifery and Paramedic Sciences (SONMAPS), the School of Disaster Management and Humanitarian Assistance (SDMHA), the University Clinic, and the Counselling Department.

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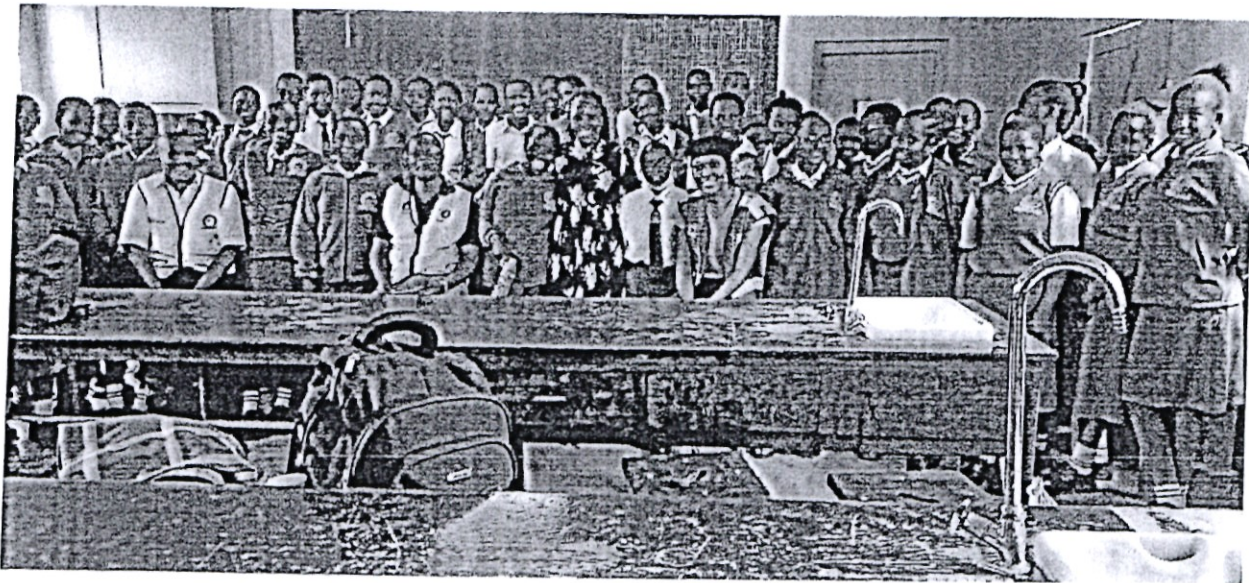


MMUST's Dr. Tecla Sum with the Principal of Sacred Heart Mukumu Girls' High School, the Deputy Principal, Director PIMAC, Ministry of Education, and Ministry of Health representatives, a teacher and MMUST student.

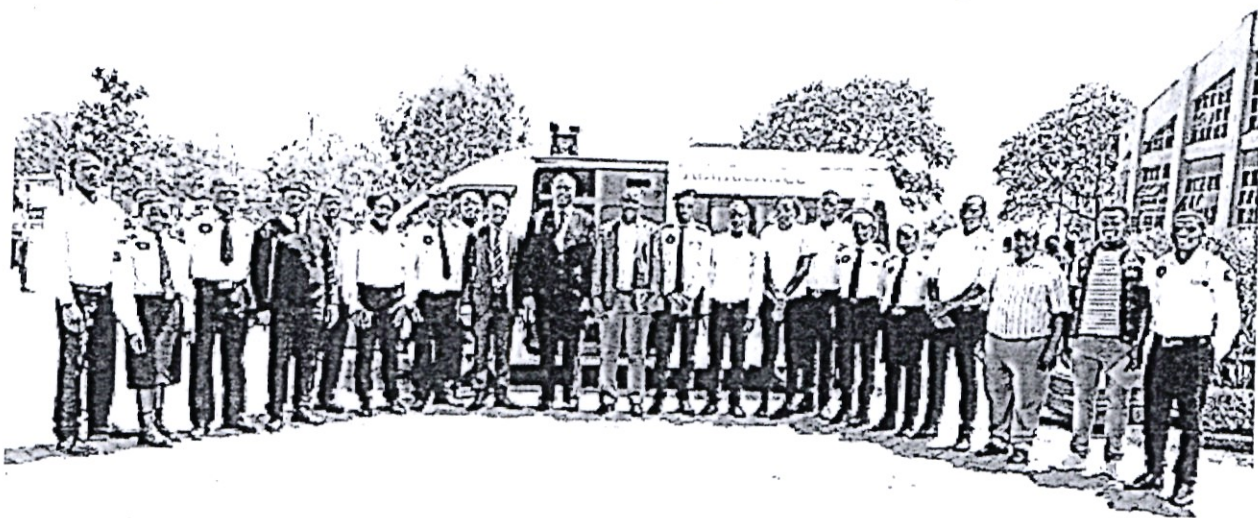
The services provided by the MMUST team include post-traumatic stress management, medical screening, individual and group counselling for students, parents and teachers, referral of severe cases, and safety education. So far, the team has attended to 800 students and over 400 parents.

Other organizations taking part in this exercise comprises; Kakamega County General and Referral Hospital, PIMAC International and Associates Consortium, the Kenya Red Cross Society and the County Government of Kakamega.

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MMUST in Collaboration with St. John Ambulance Conducts Volunteer Capacity Building Training for Effective Management of Emergencies



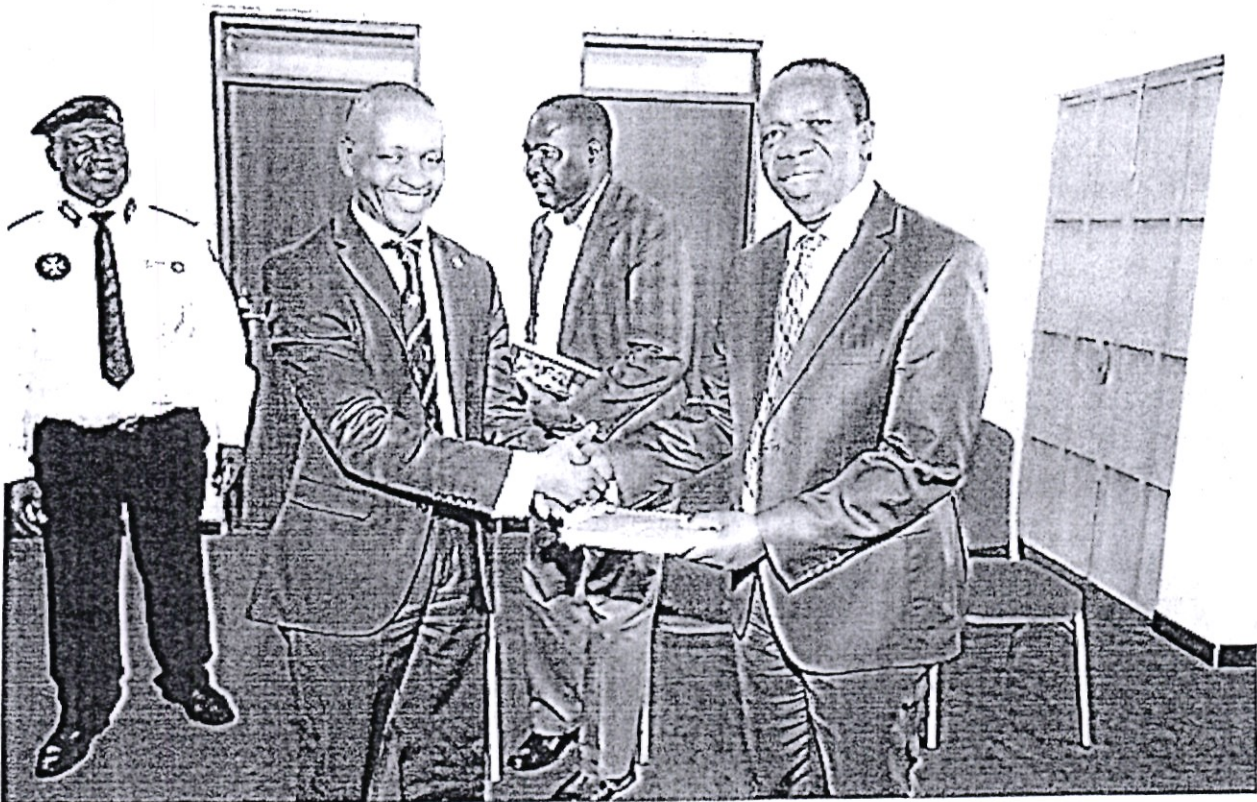
DVC PRI- Prof. Charles Mutai (center), Chancellor- (St. John Ambulance), Dr. Robert Mutula (his left), the Patron (St. John Ambulance) - MMUST Chapter, Prof. Stanley Omuterema (his right) and volunteers.

Masinde Muliro University of Science and Technology in collaboration with a delegation from St. John Ambulance has today 11th May 2023, conducted a capacity-building training for volunteers from the Western Region. The aim of the training was to equip the volunteers with adequate and relevant skills for effective management of emergencies. This event organized by the Patron (St. John Ambulance) - MMUST Chapter, Prof. Stanley Omuterema, took place at the Multi-Purpose Hall (MPH).

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The delegation led by the Chancellor- (St. John Ambulance), Dr. Robert Mutula, paid a courtesy call to the Vice Chancellor, Prof. Solomon Shibairo, and the Deputy Vice-Chancellor (Planning, Research, and Innovation), Prof. Charles Mutai. Prof. Shibairo noted that St. John Ambulance plays a key role in emergency management adding that such training will enhance emergency management in the institution and in the community at large. He advised the emergency responders to encourage the spirit of volunteerism among the youths in order to save lives.

"It is important to emphasize that service to humanity not only gives life a greater meaning but also unites the diverse people of Kenya. Any support extended in a spirit of service volunteerism is a demonstration of true love for our fellow humankind. Let us embrace it," urged Prof. Shibairo.

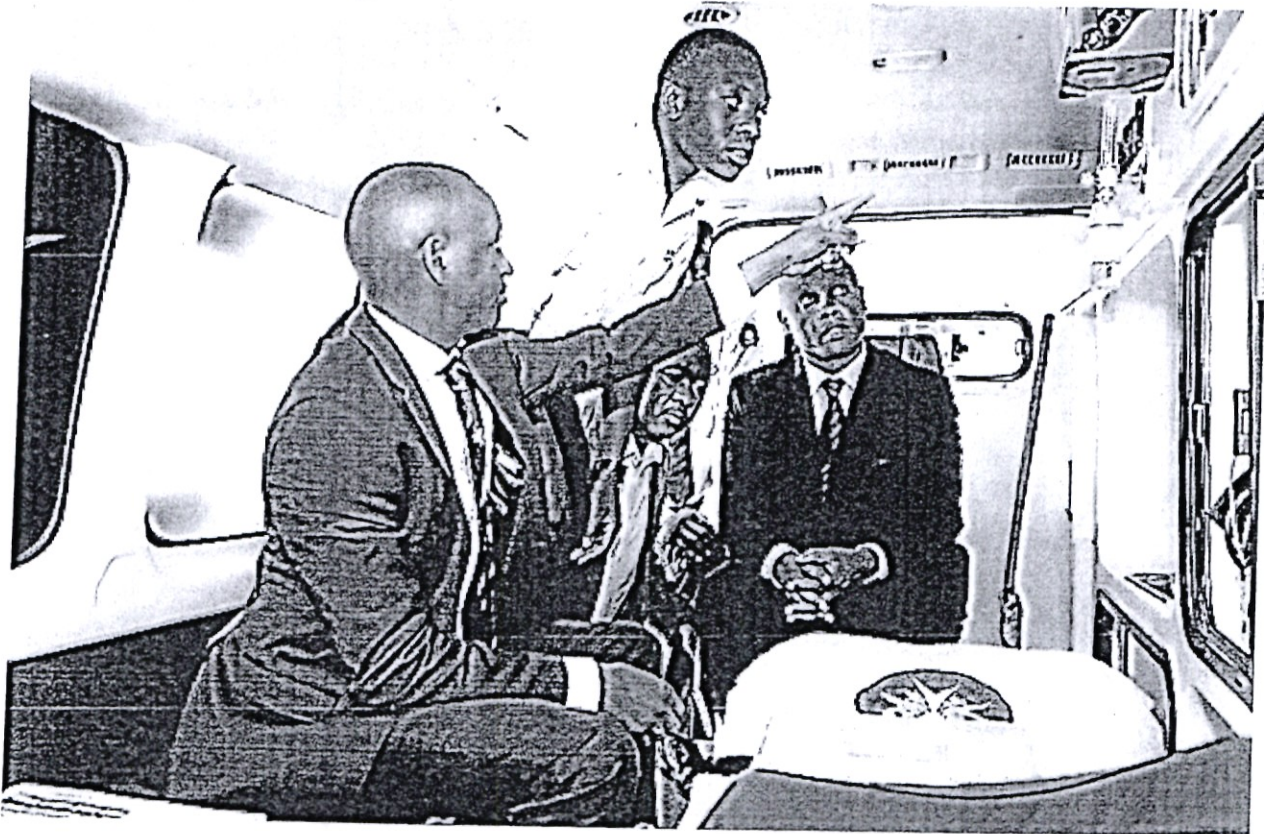


The Vice-Chancellor, Prof. Solomon Shibairo (right) shaking hands with the Chancellor- (St. John Ambulance), Dr. Robert Mutula during the courtesy call.

The event was flagged off by Prof. Mutai who encouraged the trainees to willingly help others without expecting to be rewarded. He pointed out that most deaths happen where the incidents occurred but how the patient is managed and transferred to the hospital is the key. He assured that MMUST will continue collaborating with St. John Ambulance to offer expertise in emergency management through the Departments of Paramedic Sciences and Disaster Management.

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Commenting on the training, Dr. Mutula stated that the government of Kenya is in support of such training at the grassroots level. Dr. Mutula appreciated MMUST for being one of the strong units and expressed gratitude to the University for its aggressiveness and support. He added that through this event, St. John Ambulance is able to expand and reach other neighboring Universities.



Dr. Mutula explains the paramedical response procedures inside the ambulance.

Prof. Omuterema noted that the emergency aid training is targeting the staff from catering, hostels, and estates departments as well as the students. "Safety starts with you. With basic first aid knowledge, you could be the difference in a life-threatening medical emergency situation.

St. Johns Ambulance has remained true to the sole purpose of saving lives by giving first aid to casualties and training communities to cope with life-threatening emergencies

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11. REPORT OF THE UNIVERSITY COUNCIL

The University Council submit their report together with the audited financial statements for the year ended June 30th, 2023 which show the state of Masinde Muliro University of Science and Technology's affairs.

Principal activities

The principal activities of the University are teaching, research, innovation and extension services.

Financial Performance

The deficit recorded for the Financial Year ending 30th June 2023 was Kshs. (37,148,582), a decrease from the Kshs. 16,155,630 surplus registered in the previous period ended 30th June 2021/2022.

Council

Members of the University Council who served during the year are shown on page 3 of this report

Auditors

The Auditor General is responsible for the statutory audit of the Masinde Muliro University of Science and Technology in accordance with the Public Audit Act of 2015.

By Order of the Council

Sign.....

Date:15/09/2023

Prof. Solomon I. Shibairo

Vice Chancellor & Secretary to Council

12. STATEMENT OF UNIVERSITY COUNCIL'S RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012, section 14 of the State Corporations Act and the Universities Act No. 42 Of 2012 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 and the operating results of the University for that year. 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.

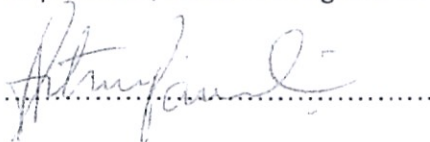
The Council is responsible for the preparation and presentation of the University's financial statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate 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 University; (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 accepts responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012, the State Corporations Act and the Universities Act No. 42 of 2012. 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, 2023, and of the University's financial position as at that date. 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.

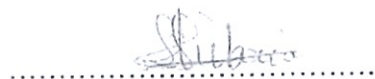
Nothing has come to the attention of the Council to indicate that the University will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The University's financial statements were approved by the Council on 15th September, 2023 and signed on its behalf by:



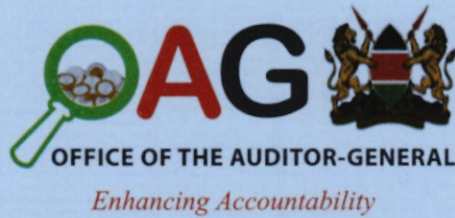
Dr. Pamela Sitienei
Chairman of Council



Prof. Solomon I. Shibairo
Vice Chancellor

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 MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE, 2023

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 Masinde Muliro University of Science and Technology set out on pages 1 to 55 which comprise of the statement of financial position as at 30 June, 2023 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

Report of the Auditor-General on Masinde Muliro University of Science and Technology for the year ended 30 June, 2023

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Masinde Muliro University of Science and Technology as at 30 June, 2023, 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, 2012.

Basis for Qualified Opinion

Long Outstanding Student Debtors

The statement of financial position reflects receivables from exchange transactions balance of Kshs.911,436,567 which is net of provision for bad debts totalling Kshs.70,547,939 as disclosed in Note 22 to the financial statements. Included in the receivables balance is an amount of Kshs.965,106,832 relating to student debtors, out of which a balance of Kshs.699,125,023 is in respect of student debtors which had been outstanding for more than 365 days as at 30 June, 2023. Further, although Management had made a provision for bad debts of Kshs.70,547,939, this provision appears inadequate.

In the circumstances, the recoverability and fair valuation of the student debtors balance of Kshs.965,106,832 could not be confirmed.

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

Emphasis of Matter

1. Outstanding Co-operative Bank Debt

As previously reported, I draw attention to Note 44 to the financial statements. Management has disclosed a balance of Kshs.18,279,389 in respect of a Co-operative Bank debt owed to the University. The debt, which comprises of a principal amount of Kshs.7,396,900 and accrued interests of Kshs.10,882,489 arose from reversals made in 2012 by the Bank in the University's account without reference to Management.

Although Management has indicated that they made a claim for the same, there were no acknowledgement from the bank receiving the claim. Recoverability of the amount is therefore doubtful.

2. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparable basis amounts of Kshs.3,486,709,988 and Kshs.3,195,039,528 respectively, resulting to underfunding of Kshs.291,670,460 or 8% of the budget.

Similarly, the statement reflects actual expenditure of Kshs.3,232,188,110 against approved budget of Kshs.3,486,709,988 resulting to underperformance of Kshs.254,521,878 or 7% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit of the previous year, several issues were raised in the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, although Management has indicated in the progress on follow-up of prior year auditor's recommendations section that some issues have been resolved while others have not been resolved. However, no explanation and documentary evidence was provided on how the issues indicated as resolved were resolved and why the rest of the issues have not been resolved, as required by the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way

Basis for Conclusion

1. Delayed Implementation of Projects

During the year under review, the University implemented a number of projects. However, review of documents and physical verification of projects revealed the following unsatisfactory matters:

1.1 Construction of Olympic Size Swimming Pool and Associated Works

The University awarded a contract for the proposed construction of Olympic size swimming pool and associated works to a local firm at a contract sum of Kshs.78,200,692. The contract period was 52 weeks starting from 29 July, 2021 and ending 28 July, 2022. Due to the additional works not in the original bills of quantity, the contractor was given an extension period to complete the work by 26 January, 2023 with a revised contract sum of Kshs.96,493,278. However, audit inspection carried out on 8 February, 2024 revealed the following:

- i. As at the time of inspection 76% of the work had been done. However, the University had paid a total of Kshs.65,141,176 or 83.3% of the contract sum to the contractor.
- ii. The contract period had elapsed and the contractor was still on site without an extension letter.
- iii. The performance bond and insurance of the project had already expired.
- iv. Works which included baby pool, roofing of the VIP spectator lounge, landscaping and parking, tiling of the pool, painting and windows and gate fixing had not been done.

In the circumstances, the University may not have obtained value for money from the project.

1.2 Construction of Proposed Library and Associated Works Phase I

The University awarded a tender for the construction of proposed Library at Butula Study Centre to a local firm at a contract sum of Kshs.19,020,990. The contract period was as from 6 July, 2022 to 5 July, 2023. As at the time of audit, the contractor had been paid a total of Kshs.6,004,510 or 32%. Review of project records revealed that the contract period had elapsed, the contractor had abandoned the site and the works had stalled at about 50%.

In the circumstances, the University may not have obtained value for money from the project.

1.3 Stalled Installation of Biometric Gadgets

The statement of financial performance reflects an amount of Kshs.28,159,267 in respect of repairs and maintenance expenses which, as disclosed under Note 14(a) to the financial statements, includes an amount of Kshs.6,035,366 relating to maintenances of computers, out of which Kshs.1,335,590 was incurred on supply of assorted items for ICT department and installation of ten (10) biometric gadgets within the University. However, audit verification revealed that although the gadgets had been fully paid for, they had not been installed.

In the circumstances, the University may not have obtained value for money from the project.

2. Outstanding Imprests

The statement of financial position reflects a balance of Kshs.83,703,138 in respect of receivables from non-exchange transactions which as disclosed in Note 23 to the financial statements, includes an amount of Kshs.43,500,150 relating to outstanding staff imprests. The receivable includes a balance of Kshs.2,118,960 owed by staff who have since left employment and a balance of Kshs.41,381,190 which was due for surrender as at 30 June, 2023 and whose subsequent clearance dates were not provided for audit. No explanation was provided for failure to surrender or recover the long outstanding imprests.

This is contrary to Regulation 93(5) of the Public Finance Management (National Government) Regulations, 2015 which provides that a holder of a temporary imprest shall surrender or account for the imprest within seven (7) working days after returning to duty station.

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

3. Excess Wage Bill

The statement of financial performance as disclosed in Note 12(a) to the financial statements reflects an amount of Kshs.2,304,214,177 relating to employee costs. The amount represents 76% of the University's total revenue for the year of Kshs.3,036,282,308. This is contrary to Regulation 26(1)(a) of the Public Finance Management (National Government) Regulations, 2015, which states that expenditure on the compensation of employees shall not exceed 35% of total revenue.

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

4. Non-Compliance with Implementation of E-procurement

Review of procurement records revealed that the University procured goods, works, and services amounting to Kshs.1,096,231,614. However, the procurement was not undertaken through e-procurement contrary to Regulation 49(2) of the Public Procurement and Asset Disposal Regulations, 2020 and Part IV of the Executive Order No.2 of 2018 that directed all public procuring entities to undertake all their procurement through the e-procurement.

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

5. Non-Adherence to One Third Basic Salary Rule

The statement of financial performance reflects an amount of Kshs.2,304,214,177 in respect of compensation of employees which, as disclosed in Note 12(a) to the financial statements, includes Kshs.1,156,877,307 being basic salaries of permanent employees. However, review of the Integrated Payroll and Personnel Database (IPPD) as at 30 June, 2023 revealed that fifty (50) employees were earning net salaries that were less than one-third of their basic salaries. This is contrary to Section 19(3) of the Employment Act, 2007 which provides that total deductions from salaries of employees shall not exceed two-thirds of their respective basic salaries.

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

6. Non-Utilization of Leave Days

Audit examination of key Management staff of the University revealed that seventeen (17) staff members had accumulated unutilized leave days ranging between 50 and 248 leave days, some dating back to 2016. This was contrary to the directive by Head of Public Service Circular and Section 6.3 of Human Resource Policy and Procedures Manual 2022.

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

7. Non-Adherence to the Law on Ethnic Diversity of Staff

Analysis of the payroll and staff list provided for audit review revealed that during the year under review, the University had 972 employees, both teaching and non-teaching and on permanent and pensionable terms. However, out of the total number, 654 employees or 67% were from one ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that no public establishment shall have more than one third of its staff from one ethnic community.

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

8. Misallocation of Expenditures

The statement of financial performance reflects use of goods and services amount of Kshs.164,528,690 which, as disclosed in Note 16(a) to the financial statements, includes expenditures amounting to Kshs.7,687,979 and Kshs.5,139,187 relating to training and staff development and University Management Board (UMB) expenses respectively. Review of supporting documents provided for audit revealed that the payments were made on account of allowances to members of staff working on a taskforce, and not the two expenditure items indicated. However, no evidence was provided to confirm that a reallocation of expenditure was approved by the University Council. Further, a report of the taskforce was not provided to confirm the work of the taskforce.

In the circumstances, Management was in breach of the law relating to budgetary control.

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 the University Council

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the 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 the intention to terminate the University or to cease its 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.

The University Council is 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 controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the 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 University's ability 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 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


28 March, 2024


MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023

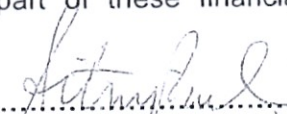
14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30TH JUNE 2023

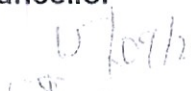
Details	Notes	2023	2022
Revenue from non-exchange transactions		Kshs	Kshs
Recurrent Grant(GoK)	6	1,762,741,502	1,761,805,553
Research Grants	7(a)	45,142,114	34,223,233
Total Revenue from non-exchange transactions		1,807,883,616	1,796,028,786
Revenue from exchange transactions			
Tuition and Related Charges	8(a)	1,152,747,122	1,305,892,922
Income Generating Units	9(a)	15,927,992	20,074,567
Other Income	10(a)	34,125,160	30,835,989
Finance income	11	25,598,418	14,618,285
Total Revenue from exchange transactions		1,228,398,692	1,371,421,763
Total Revenue		3,036,282,308	3,167,450,549
Expenses			
Employee costs	12(a)	2,304,214,177	2,287,560,365
Depreciation and amortization	13	154,822,147	154,182,293
Repairs and Maintenance Expenses	14(a)	28,159,267	18,297,686
Contracted Services	15(a)	109,178,090	103,457,623
Use of good and services	16(a)	164,528,690	167,803,050
Academic(Teaching, Research and Extensions)	17(a)	288,753,381	365,033,126
Remuneration of Council	18(a)	22,144,256	30,257,207
Chancellor Expenses	19(a)	1,630,882	1,967,550
Provision for bad debts	20	0	22,736,020
Total expenses		3,073,430,890	3,151,294,920
Surplus/(Deficit)		(37,148,582)	16,155,630

The notes set out on pages 9 to 46 form an integral part of these financial statements.


 Prof. Solomon Shibairo
 Vice Chancellor
 Council


 CPA Jared G. O. O. Rading
 Head of Finance


 Dr. Pamela Sitienei
 Chairman of the

Date.....

 15/09/2023

ICPAK Number 6143

Date.....
 15th Sept. 2023

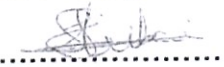
Date.....
 15th Sept. 2023

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023

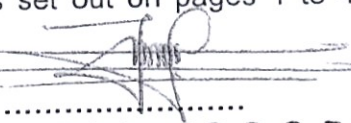
15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023

Details	Notes	2023	2022
		Kshs	Kshs
ASSETS			
Current assets			
Cash and cash equivalents	21	517,481,332	562,494,485
Receivables from exchange transactions	22	911,436,567	822,396,302
Receivables from non-exchange transactions	23	83,703,138	19,491,150
Inventories	24	14,386,300	25,892,113
Total Current Assets		1,527,007,337	1,430,274,050
Non-current assets			
Property, plant and equipment	25	5,632,638,468	5,090,606,934
Biological Assets	26	1,588,100	1,698,000
Intangible assets	27	210,174	420,347
Butula Campus Development Project	28	6,113,710	109,200
Total non-current assets		5,640,550,452	5,092,834,481
TOTAL ASSETS		7,167,557,789	6,523,108,531
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	29	165,424,222	105,637,979
Refundable deposits from customers	30	405,709,209	409,168,820
Butula Campus Development Grant	31	13,886,290	20,000,000
Deferred income	32	54,889,185	44,628,179
Employee benefit obligation	33	49,443,678	34,854,513
Total current liabilities		689,352,584	614,289,491
NET ASSETS			
Capital Reserves	34	4,188,019,890	3,565,174,414
Revenue Surplus		(37,148,582)	16,155,630
Revaluation Reserves		2,327,333,897	2,327,488,997
Total Net Assets		6,478,205,205	5,908,819,041
Total Net Assets and Liabilities		7,167,557,789	6,523,108,532

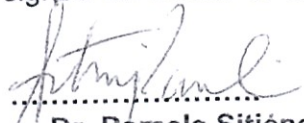
The Financial Statements set out on pages 1 to 46 were signed on behalf of the Council by:


 Prof. Solomon Shibairo
 Vice Chancellor

Date... 17th Sept 2023


 CPA Jared G. O. O. Rading
 Head of Finance
 ICPAK Number 6143

Date... 15th Sept 2023


 Dr. Pamela Sitienei
 Chairman of the Council

Date... 15th Sept 2023

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
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**16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED
30TH JUNE 2023.**

Details	Capital Grants Reserves	Accumulated Revenue Reserves	Revaluation Reserves	Total
	3,697,923,964	258,080,382	2,327,183,697	6,283,188,042
Balance at July, 01 2021				
Movement of Revenue to Capital Reserves	258,080,382	(258,080,382)		0
Surplus / Deficit for the year		16,155,630		16,155,630
Capital Grants for the year	100,000,000			100,000,000
Prior Year Adjustment	(490,829,932)			(490,829,932)
Revaluation Reserves		-	305,300	305,300
Balance at June, 30 2022	3,565,174,414	16,155,630	2,327,488,997	5,908,819,040
Movement of Revenue to Capital Reserves	16,155,630	(16,155,630)		0
Surplus / Deficit for the year	(1)	(37,148,582)		(37,148,583)
Capital Grants for the year	626,725,087			626,725,087
Invoice Corrections	(20,035,240)			(20,035,240)
Prior Year Adjustment				
Revaluation Reserves		-	(155,100)	(155,100)
Balance at June, 30 2023	4,188,019,890	(37,148,582)	2,327,333,897	6,478,205,204

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FOR THE YEAR ENDED 30TH JUNE 2023

17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2022

Details	Notes	2023	2022
		Kshs	Kshs
Cash flows from operating activities			
RECEIPTS			
Recurrent Grant(GoK)	6(a)	1,762,741,502	1,761,805,553
Research Grants	7(b)	55,095,638	52,688,864
Tuition and Related Charges	8(b)	1,059,005,760	1,247,169,050
Income Generating Units	9(b)	8,021,029	8,987,308
Other Income	10(b)	19,566,917	11,470,535
Finance income	11	25,598,418	14,618,285
Underspent Imprest		5,269,996	2,471,756
Total receipts		2,935,299,260	3,099,211,351
PAYMENTS			
Employee costs	12(b)	2,230,116,241	2,239,280,790
Repairs and Maintenance Expenses	14(b)	23,817,170	19,328,990
Contracted Services	15(b)	102,469,934	101,146,647
Use of goods and services	16(b)	169,888,183	156,620,656
Academic(Teaching, Research and Extensions)	17(b)	298,055,888	346,225,184
Remuneration of Council	18(b)	22,864,878	30,944,393
Chancellor Expenses	19(b)	842,900	895,540
Refundable Deposits from Customer	30(b)	7,863,494	75,231,288
Prepayment Outflow	16	636,505	1,119,138
Total Payments		2,856,555,194	2,970,792,626
Net cash flows from operations activities		78,744,066	128,418,725
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	25 & 28	(158,757,220)	(202,468,104)
Net cash flows used in investing activities		(158,757,220)	(202,468,104)
Cash flows from financing activities			
Capital Grants	34	35,000,000	100,000,000
Revenue reserves			19,181,731
Net cash flows used in financing activities		35,000,000	119,181,731
Net increase/(decrease) in cash and cash equivalents		(45,013,154)	45,132,352
Cash and cash equivalents at the beginning of the year		562,494,486	517,362,134
Cash and cash equivalents at end of the year		517,481,332	562,494,486

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

		Original Budget	Final Budget	Actual on Comparable Basis	Performance Difference	% Utilization
		a	b	c	d=(c-b)	e=d/c *100
A	Revenue	Kshs	Kshs	Kshs	Kshs	
1	Recurrent Grants	1,762,741,503	1,762,741,503	1,762,741,502	1	100
2	Capital Grants/Retained Earnings	339,468,982	339,468,982	158,757,220	180,711,762	47
3	Research Grants	40,000,000	40,000,000	45,142,114	(5,142,114)	113
4	Tuition and Other Related Fees	1,273,025,503	1,273,025,503	1,152,747,122	120,278,381	91
5	Income generating Unit	25,300,000	25,300,000	15,927,992	9,372,008	63
6	Other Income	27,424,000	27,424,000	34,125,160	(6,701,160)	124
7	Finance income	18,750,000	18,750,000	25,598,418	(6,848,418)	137
	Total Income	3,486,709,988	3,486,709,988	3,195,039,528	291,670,460	92
B	Expenses		-			
8	Employee costs	2,322,521,006	2,322,521,006	2,304,214,177	18,306,829	99
9	Depreciation and amortization	144,000,000	144,000,000	154,822,147	(10,822,147)	108
10	Repairs and Maintenance Expenses	31,576,000	31,576,000	28,159,267	3,416,733	89
11	Contracted Services	111,500,000	111,500,000	109,178,090	2,321,910	98
12	General Expenses	157,029,000	157,029,000	140,485,340	16,543,660	89
13	Academic(Teaching , Research and Extensions)	322,460,000	322,460,000	288,753,381	33,706,619	90
14	Remuneration of Council	23,000,000	23,000,000	22,144,256	855,744	96
15	Chancellor Expenses	1,900,000	1,900,000	1,630,882	269,118	86
16	Finance (Bank) Charges	3,600,000	3,600,000	2,357,510	1,242,490	65
17	IGU Operating Costs	21,455,000	21,455,000	21,685,840	(230,840)	101
18	Provision for bad debts	8,200,000	8,200,000	0	8,200,000	0
19	Capital Grants Expense	339,468,982	339,468,982	158,757,220	180,711,762	47
	Total Expenditure	3,486,709,988	3,486,709,988	3,232,188,110	254,521,878	93
C	Surplus/(Deficit)	-	0	(37,148,582)	-	

Notes to the Statement of Comparison of Budget and Actual amounts for the year ended 30th June 2023

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
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This budget statement relates to the approved Budget for Financial year 2022/2023 and was prepared on the same basis as per reporting and therefore requires no reconciliation.

1. The recurrent grants support from the National Government of Kshs. 1,762,741,503 was realized against planned amount of Kshs 1,762,741,502 thus registering 100% performance. This showed commitment from the National government to continue supporting the University.
2. The Capital Grants/Retained Earnings recorded Kshs. 158,757,220 against a budget of Kshs. 339,468,982 giving a 47% absorption. This low absorption was due to delay in procurements and slow pace of project implementation.
3. Research Grants income was realized Kshs. 45,142,114 against a projection of Kshs. 40,000,000 resulting into a performance of 113%. The absorption was within expectations in receipt and usage of the funds by the academic staff engaged in research and proposal writing.
4. Tuition and related charges recorded Kshs. 1,152,747,122 against a target of Kshs. 1,273,025,503 resulting into a performance of 91% of the budget amounts. There was a drop in performance due to the inability of some students to continue with studies for varied reasons. Key among them was lack of fees for their studies.
5. Income Generating Unit realized Kshs.15, 927,992 against a target of Kshs. 25,300,000 which is 63%. This was due to low sales owing to lack of opportunities in the target markets.
6. Other Income realized Kshs. 34,125,160 against a target of Kshs. 27,422,000 giving a performance of 120%. This was boosted by foreign exchange gain on the translation of dollars held by the University.
7. Employee costs recorded Kshs. 2,304,214,177 against a target of Kshs. 2,322,521,006 yielding 99% of the budget. This was achieved due to prudent budget management and employment practices.
8. Depreciation provision registered 108% against the budget. This largely depends on the level of Property, Plant & Equipment maintained in the year. There was a transfer of Kshs. 167m from work in progress to Buildings which increased the base for depreciation calculation thus overrunning the provision in the budget. The details of this increase are contained in Note 24 of the financial statements.
9. Repairs and Maintenance recorded 89% performance of Kshs 28,159,267 against a budget of Kshs 31,576, 000 for the year on account of improved cost management and scheduled annual work plan adherence.

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10. Contracted services registered a performance of Kshs 109,178,090 which is 98% of the budgeted figure of Kshs111, 500,000. This was due to prudent cost management.
11. Use of goods and services recorded 89% of the budget. This was a result of prudent cost management on the part of the University.
12. Academic (Teaching, Research and Extensions) expenses registered 90% against the budget. This was low on account of school practice and industrial attachment which started in May 2023 and spilled over to July 2023. The surrenders had not been expensed by 30th June 2023
13. Council Expenses registered 96% performance against budget. All the meetings were conducted as planned and therefore this was prudent utilization of the budget by the governance wing of the University.
14. Chancellor's Expenses recorded 86% of the budget.
15. There was no provision for bad debts in the year due to change in the policy relating to this item.
16. Capital Grants Expense recorded 47% consumption rate. This expenditure relates to the Construction of Engineering and TVET Complex, implementation of footbridge, swimming pool, plant and equipment as detailed in Note 25 of the financial statements. The low absorption was due to delayed and prolonged procurement and low pace of project implementation.

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023**

19. NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Masinde Muliro University of Science & Technology (MMUST) is established by and derives its authority and accountability from the Universities Act of 2012 (No 42 of 2012). The University is wholly owned by the Government of Kenya and is domiciled in Kenya. The University's principal activities are teaching, research, innovation, and extension services.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis. The asset valuation process was completed and the report prepared, thus the assets have been recognized in the financial statements. The financial statements were prepared in conformity with International Public Sector Accounting Standards (IPSAS), which allows the use of estimates and assumptions. IPSAS requires management to exercise judgment in the process of applying the University 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), 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. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022

Standard	Impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023 The objective to issue IPSAS 41 was to create convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to the amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach. This has been implemented and has helped in matching expenses as and when they are incurred.</p>

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
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3 (b) ADOPTION OF NEW AND REVISED STANDARDS (Continued)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2017

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

iii. Early adoption of standards

The University did not early – adopt any new or amended standards in year 2019.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The University 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 University and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the University and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized 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 University recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably.

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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 University.

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the University'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

The original budget for FY 2020-2021 was approved by the National Assembly in May 2020. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the University upon receiving the respective approvals in order to conclude the final budget.

The University's budget is prepared on same 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 so is the budget.

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 University 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

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
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FOR THE YEAR ENDED 30TH JUNE 2023

which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The University is not registered for payment of corporation tax as it is exempted by virtue of it offering social services and established by the Government of Kenya.

Deferred tax

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

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

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

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

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

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

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

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
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Sales tax

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

- 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
- 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 University 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.

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f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the University. 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 University 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 University 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 University.

Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

The useful life of the intangible assets is assessed as either finite or indefinite.

h) Research and development costs

The University expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the University 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.

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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. The 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 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 University 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 University assesses at each reporting date whether there is objective evidence that a financial asset or a University of financial assets is impaired. A financial asset or a University 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 University of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

1. The debtors or a University of debtors are experiencing significant financial difficulty

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2. Default or delinquency in interest or principal payments
3. The probability that debtors will enter bankruptcy or other financial reorganization
4. 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 University 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
- 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.

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

k) Provisions

Provisions are recognized when the University 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 University 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 University does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

m) Contingent assets

The University 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 University 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) Nature and purpose of reserves

The University creates and maintains reserves in terms of specific requirements. Capital reserves are meant for development and expansion of long term assets while revenue reserves are for accumulation of operating surpluses which are then used for reinvestment purposes. Revaluation reserves are for asset maintenance and impairments.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

The University provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an University pays fixed contributions into a separate University (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 defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

q) 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.

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

The University regards a related party as a person or a University with the ability to exert control individually or jointly, or to exercise significant influence over the University, or vice versa. Members of key management are regarded as related parties and comprise the Directors/ Council, the Vice Chancellor and Senior Managers.

t) Service Concession Arrangements

The University 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 University 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 University also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) 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

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end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

v) Comparative figures

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

w) 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, 2020.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the University'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 judgments, estimates and assumptions made

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The University 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 University. 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 University
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

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Provisions

Provisions were raised and management determined an estimate based on the information available.

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.

F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
6	Recurrent Grant (GoK)		
	July	146,895,125	146,294,518
	August	146,895,125	146,294,518
	September	146,895,125	146,294,516
	October	146,895,125	146,294,518
	November	146,895,126	146,294,518
	December	146,895,125	146,294,517
	January	146,895,126	146,294,518
	February	146,895,126	146,294,518
	March	146,895,124	146,294,517
	April	146,895,125	146,294,518
	May	146,895,125	149,430,189
	June	146,895,125	149,430,188
	Sub total	1,762,741,502	1,761,805,553
7(a)	Research Grants	45,142,114	34,223,233
	Provide detailed reconciliation as a separate disclosure.		
7(b)	Research Grants Receipts		
	Opening Balance	44,628,179	26,782,455
	Less recognized in Statement of Financial Performance	45,142,114	34,223,234
	Less: Closing Balance	54,889,185	44,628,179
	Less: Foreign Exchange charges	0	619,896
	Total Research Grants Receipts	55,403,120	(52,688,864)
8(a)	Tuition and Related Charges		
	Tuition Fees	710,629,487	903,932,564
	Registration fees	3,739,500	3,435,300
	ID charges	8,500	13,700

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F/NO	DETAILS	2023		2022	
		Amount Kshs	in	Amount Kshs	in
	Activity fees	16,831,550		16,214,870	
	Amenity fees	16,950,550		16,186,685	
	Medical fees	28,009,085		25,542,835	
	Students Organizational Fee	6,698,950		6,225,700	
	Examination fees	71,168,105		65,076,300	
	ICT levy	85,877,465		78,303,900	
	Teaching Practice	5,500		-64,200	
	Field Trips	2,038,000		449,500	
	Thesis	17,563,130		13,841,474	
	Supervision	27,119,000		21,757,900	
	Professional Insurance Indemnity	718,500		567,000	
	Library Fees	51,147,900		46,852,115	
	Graduation Fees	21,827,065		25,942,337	
	Skill Laboratory Fee	1,863,600		1,478,500	
	KUCCPS Processing Fee	5,996,500		5,445,700	
	Hospital Consumables	4,575,100		4,007,900	
	Medical Insurance	151,500		132,500	
	Appraisal Forms	10,100		6,000	
	Psychiatry Case Presentation Forms	1,500		3,500	
	Practical Fee /Clinical Placements	3,800,150		2,674,000	
	Attachment	49,333,715		43,282,900	
	Computer Laboratory Costs	3,433,600		2,413,000	
	Laboratory Fees	1,686,500		1,297,100	
	Board (KNDI)	9,600		15,700	
	Training Fees	138,600		100,000	
	Referral/Supplementary	8,134,950		7,574,579	
	Damages	5,450		71,100	
	Application fees	2,441,410		3,002,243	
	Late application fees	500			
	Project fees	3,410,500		3,088,500	
	Extended Supervision fee (Fee)	1,500		40,700	
	Examination for revised thesis	32,265		5,000	
	Lesson Plan	142,895		146,070	
	Supplementary Exam Fee			6,500	
	Examination Fee - PHD	308,600		105,000	
	Old students receipts	500		52,250	
	Alumni	10,700		72,500	
	Field work fee	3,368,000		3,413,000	

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F/NO	DETAILS	2023		2022	
		Amount Kshs	in	Amount Kshs	in
	Student smart card charges	3,062,000		2,830,700	
	Mmust- Inst Ethical review committee	322,000		317,000	
	CUE Levy Fund	173,100		33,000	
	Total Tuition and Related Income	1,152,747,122		1,305,892,922	
8(b)	Tuition and Related Charges Receipts				
	Tuition and related charges as per SFP	1,152,747,122		1,305,892,922	
	Less: Increase in receivables	(93,741,362)		(58,723,872)	
	Cash collected	1,059,005,760		1,247,169,050	
9(a)	Income Generation Units				
	Farm income	242,983		838,535	
	Catering	11,335,995		13,197,476	
	MMUST FM	42,000		176,370	
	Book Shop	162,134		549,311	
	Rental Estate Income	504,000		1,263,255	
	Estate sell of Grass	18,120		38,500	
	Sale from production unit	1,254,700		1,445,660	
	Hire of Venues / Trappers/ Equipment	2,368,060		2,355,460	
	Short courses/Consultancies	0		210,000	
	Total Income From IGU	15,927,992		20,074,567	
9(b)	Income generating Units				
	Reported as per billings	15,927,992		20,734,692	
	Less: Accrued	(7,906,963)		(11,747,384)	
	Cash collected from IGU	8,021,029		8,987,308	
10(a)	Other Income				
	Accommodation	24,058,850		18,534,995	
	Fines & Penalties	1,276,650		944,969	
	Misc. Income	1,400,600		1,403,252	
	Sale of Tender Documents			800	
	Prize and awards	120,000		100,000	
	Foreign Exchange gain/(loss)	6,313,050		6,973,708	
	Research Income	0		23,000	
	Revenue from collaborations	850,500		763,500	
	Library Income	22,010		75,525	
	Disposal of boarded item sale			1,431,640	
	Workshop & Conferences	83,500		584,600	
	Total Sundry Incomes	34,125,160		30,835,989	

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F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
10(b)	Other Income Receipts		
	Billings as per GL	34,125,160	30,175,864
	Less: Accrued	(14,558,243)	(18,705,329)
	Cash collected from other income	19,566,917	11,470,535
11	Finance Income		
	Treasury bonds -Equity	1,778,323	0
	Fixed deposit- Equity	10,531,849	0
	Fixed Deposit - Family	8,260,274	0
	Normal deposit interest -Family	0	4,650,128
	Normal deposit interest -Equity	5,014,122	9,968,157
	Normal deposit interest KCB-ISUZU	13,850	0
	Sub total	25,598,418	14,618,285
12(a)	Employee Costs		
	Basic salaries	1,156,877,307	1,150,348,244
	Pension contribution	206,809,937	194,819,958
	House Allowances	412,419,794	414,031,010
	Car Allowances	142,685,719	140,259,753
	Passage and Baggage Allowances	679,740	666,460
	Part-time Payments	95,592,883	90,117,670
	Non- practicing Allowance	4,761,733	
	Telephone Allowance	12,503,203	12,901,515
	Risk Allowance	7,429,817	
	Acting Allowance	2,442,375	
	Extraneous Allowance	33,467,800	0
	Responsibility Allowance	27,525,277	
	Emergency call Allowance	2,448,000	
	Leave Allowance	9,333,400	
	Entertainment Allowance	22,284,432	
	Special Dpputy Allowance	24,766	
	Tool Allowance	24,180	
	Domestic servant and Gardener	1,920,000	
	OTHER PERSONAL ALLOWANCES	249,157	112,943,597
	Disturbance and Settlement Allowance	529,200	
	Stipend	490,000	110,000
	Gratuity expenses	34,875,725	43,664,429
	Management Allowance	1,200,000	1,200,000
	Professorial Allowance	3,520,000	
	Uniform Allowance	80,000	

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F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
	Medical Expenses	120,675,732	126,497,729
	Book Allowance	3,184,000	0
	Water and Electricity	180,000	0
	Total Personnel Emoluments	2,304,214,177	2,287,560,365
12(b)	Employee Costs payments		
	Opening Balance liability	48,279,575	0
	Expenses for the period	2,304,214,177	2,287,560,365
	Less: closing liability	(120,397,981)	(48,279,575)
	Actual payments per SFP	2,232,095,771	2,239,280,790
13	Depreciation and Amortization		
	Depreciation of Buildings	72,773,621	68,594,278
	Depreciation of Computers and appliances	9,056,584	10,168,871
	Depreciation of Furniture and Fittings	10,809,942	10,379,181
	Depreciation of Motor vehicles	18,833,306	26,636,091
	Amortization of Software	210,173	302,952
	Depreciation on Plant and equipment	38,048,631	34,118,783
	Depreciation on Library Books and Journals	5,089,890	3,982,137
	Total Depreciation	154,822,147	154,182,293
14 a)	Repairs and Maintenance		
	Repair and Maintenance of Motor vehicles	4,207,311	8,239,521
	Maintenance of Plant, Furniture and Equipment	1,903,799	1,131,500
	Maintenance of Computers	6,035,366	1,559,430
	Maintenance of Buildings	12,034,571	5,170,930
	Maintenance of Play Grounds and Parks	1,660,020	2,196,305
	Maintenance of Fences and Walls	2,318,200	0
	Total Maintenance Expenses	28,159,267	18,297,686
14b)	Repairs and Maintenance Payments		
	Expenses for the year as per SFP	28,159,267	18,297,686
	Accrued expenses/ Prepayments	(4,342,097)	1,031,304
	Payments for the year	23,817,170	19,328,990
15a)	Contracted Services		
	Cleaning Services	12,361,865	11,803,653
	Insurance Expenses	30,128,469	23,672,425
	Legal Expenses	10,462,503	16,912,523
	Rent and Rates	18,612,080	17,726,823
	Security Services	37,613,173	33,342,199
	Total Contracted Services	109,178,090	103,457,623
15b)	Contracted Services payments		

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F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
	Expenses for the year per SFP	109,178,090	103,457,623
	Accrued Expenses/ Prepayments	(6,708,156)	(2,310,976)
	Payments for the year	102,469,934	101,146,647
16(a)	Use of goods and services		
	Advertising and Publicity Expenses	2,681,912	2,900,018
	Audit fee	3,197,723	1,700,000
	Alcohol and drug abuse expenses	801,700	755,200
	Bank Charges -Finance cost	2,357,510	3,739,777
	Catering Expenses	14,801,193	10,841,758
	Contingency liability	10,787,616	
	Corporate Social Responsibility (ESG)	1,415,218	2,711,250
	Couching and mentoring	1,068,785	1,086,995
	Covid -19 Mitigation Expenses	110,600	9,507,419
	DRAMA Festivals	1,959,480	2,261,800
	Electricity	16,362,953	14,713,014
	External Travelling and Accommodation Expenses	1,453,576	681,510
	Fumigation Expenses	13,500	0
	Feasibility Study	0	322,800
	IGU Expenses	6,884,647	8,025,518
	Inter-University Games	7,012,690	9,196,760
	Office Expenses	1,996,376	5,006,223
	Office Stationery	12,920,031	11,178,837
	Official entertainment	1,130,591	1,284,559
	Performance Contracting Costs	1,878,090	2,771,010
	Postal and Courier Expenses	1,032,523	1,030,136
	Public Celebrations and Funerals	2,181,660	2,340,548
	Publishing and printing	1,079,100	554,750
	Purchase of Uniforms and Clothing	1,716,864	1,257,131
	Show and Exhibitions	927,380	92,100
	Special Projects	6,548,900	8,355,622
	Sports Equipment	0	1,873,151
	Taxes Paid	1,519,548	
	Telephone Expenses	20,000	353,106
	Training and Staff Development Expenses	7,687,979	12,430,179
	Transport Operating Expenses	19,419,657	16,503,623
	Traveling and Accommodation	8,292,338	7,919,550
	Tender Expenses	992,835	1,507,440

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F/NO	DETAILS	2023		2022	
		Amount Kshs	in	Amount Kshs	in
	UMB EXPENSES				
	University Choir	5,139,187		7,164,484	
	Valuation Services	2,744,180		2,424,700	
	Water and Conservancy	129,360			
		16,262,988		15,312,082	
	Total General Administrative Expenses	164,528,690		167,803,050	
16b)	General Administrative Payments				
	Expenses for the year per SFP	164,528,690		167,803,050	
	Accrued Expenses/ Prepayments	5,359,493		(11,182,394)	
	Payments for the year	169,888,183		156,620,656	
17(a)	Academic (Teaching, Research & Extension)				
	Affiliation fees	3,693,673		3,355,255	
	Alumni expenses	1,117,850		2,282,630	
	Careers week	1,889,885		1,903,060	
	Commission for University Education Expenses	9,261,550		9,710,300	
	Disability Mainstreaming expenses	1,394,700		1,320,846	
	Donor funded research expenses	45,142,114		34,223,233	
	Examination Expenses	10,151,185		8,272,365	
	External examiners expenses	7,425,232		5,848,120	
	Graduation Expenses	10,125,812		22,051,133	
	HIV/AIDS Expenses	1,266,950		1,107,956	
	Inaugural Lectures expenses	1,634,817		1,806,579	
	Internet connectivity expenses	29,560,015		45,568,673	
	ISO- QA Activities	2,567,508		1,819,360	
	KUCCPS Processing Expenses	5,000,000		4,966,340	
	Library expenses	1,685,870		2,531,142	
	MMUSO	8,684,285		7,167,495	
	MMUST Merit Scholarship	3,639,667		11,294,000	
	Mmust scholarship	3,001,000		3,971,500	
	MMUST Talent Scholarship	4,001,520		4,012,100	
	MMUST WORKSTUDY SUPPORT PROGRAMMES	6,518,648		5,686,370	
	New Programmes and Curriculum Review	9,236,588		18,687,590	
	PSSP Expenses	4,798,836		2,991,309	
	Research Expenses	21,522,774		33,953,426	
	Robotics Development Expenses	4,138,540		4,621,531	
	Seminars and Conferences	3,578,259		4,841,623	
	Senate Expenses	3,147,349		1,035,435	
	Student Registration Expenses	2,206,925		2,579,310	
	SGS Election & Training	5,115,000		5,052,010	

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F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
	Students Practical Expenses	13,681,520	12,936,107
	Tamasha	2,074,460	3,066,410
	Teaching Material	11,868,166	12,397,923
	Teaching Practice and Field Attachment	31,489,852	67,576,365
	Thesis Supervision Expenses	9,926,906	10,000,000
	Student smart refunds expenses	2,071,612	1,311,500
	Publicity of Academic Programmes	3,000,723	5,084,130
	TVET Expenses	3,133,590	
	Total Academic(Teaching, Research and Extensions)	288,753,381	365,033,126
17(b)	Academic(Teaching, Research and Extensions) Payments		
	Expenses for the year per SFP	288,753,381	365,033,126
	Accrued Expenses/ Prepayments	9,302,507	(18,807,942)
	Payments for the year	298,055,888	346,225,184
18(a)	Remuneration of Council/Chancellor		
	Council honoraria expenses	640,000	880,000
	Council travel expenses	4,562,684	5,999,307
	Council subsistence allowances	6,085,060	11,521,339
	Council training expenses	1,148,400	90,000
	Council catering expenses	774,791	1,206,363
	Council stationery expenses	64,758	189,625
	Council sitting allowances	7,913,330	9,508,000
	Council Medical expenses	955,233	862,573
	Total	22,144,256	30,257,207
18(b)	Remuneration of Council/Chancellor Payments		
	Expenses for the year per SFP	22,144,256	30,257,207
	Accrued Expenses/ Prepayments	720,622	687,186
	Payments for the year	22,864,878	30,944,393
19(a)	Chancellor Expenses	1,630,882	1,967,550
19(b)	Chancellor payments		
	Expenses for the year per SFP	1,630,882	1,967,550
	Accrued Expenses/ Prepayments	(787,982)	(1,072,010)
	Payments for the year	842,900	895,540
20	Bad debts Provision		
	Provision for bad debts	0	22,736,020
21	Cash and Cash Equivalents		
	MMUST KCB 1101811269 (Deposit Recurrent)	147,245,775	40,125,307

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F/NO	DETAILS	2023	2022
		Amount in Kshs	Amount in Kshs
	MMUST KCB Payments 1101922109(Tuition)	4,443,015	4,075,264
	MMUST BBK 8080317 IGU	7,211,165	16,276,342
	MMUST NBK 0100370554000 (Tuition)	3,622,374	4,590,131
	MMUST Coop Bank 01129033999900 (tuition)	1,250,407	2,446,586
	MMUST Equity Bank 050029463103	227,453,764	308,271,017
	MMUST Family Bank 078000012655	116,209,776	105,550,890
	MMUST KCB 1101811331 (payment)	1,205,084	5,933,687
	MMUST Standards Bank 0102098712400(research grants	2,231,194	2,572,321
	MMUST Standard Bank 8702098712400(Research grants	6,608,779	71,318,225
	Provision for unbanked cash	0	1,334,715
	Total Cash and Cash Equivalents	517,481,333	562,494,485
22	Receivables from Exchange Transactions		
	IGU Receivable	10,402,782	10,311,076
	Prepaid Expenses	6,474,892	5,085,500
	Student Debtors	965,106,832	877,547,665
	Less provision for bad debts	-70,547,939	-70,547,939
	Total Receivables from Exchange Transactions	911,436,567	822,396,302
23	Receivables from Non-Exchange Transaction		
	Staff Imprest	43,500,156	19,491,150
	Capital Grant Receivable	40,202,982	
	Total Receivables from Non-Exchange Transactions	83,703,138	19,491,150
24	Inventories		
	Clinical Drugs Stocks	1,712,574	2,478,234
	Dry Food Stock	677,707	2,478,234
	Estate Building Materials	5,741,374	10,766,000
	Stationery Central Stores	6,254,645	10,169,645
	Total Inventory and Stores	14,386,300	25,892,113
25	Property, Plant and Equipment	5,632,638,470	5,090,606,934

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Property, Plant and Equipment										
a	Current year	Land	Buildings	Work in Progress	Plant & Equipment	Computers	Furniture	Library Books	Motor Vehicles	Total
	Rate	0	0.025		0.2	0.33	0.125	0.25	0.25	
	Cost									
	At 30 June 2021	2,282,760,000	2,743,771,114	216,422,919	357,302,151	191,420,080	146,775,354	35,807,209	230,436,274	6,204,695,100
	Additions	-	-	156,030,203	31,255,650	6,842,690	5,767,900	2,462,464	-	202,358,906
	At 30 June 2022	2,282,760,000	2,743,771,114	372,453,122	388,557,801	198,262,770	152,543,253	38,269,672	230,436,274	6,407,054,007
	Additions	544,000,000	-	83,246,786	51,693,171	7,582,200	5,690,338	4,431,014	-	696,643,508
	Transfers(Tuition Block & Small Works		167,173,758	(167,173,758)						-
	At 30 June 2023	2,826,760,000	2,910,944,872	288,526,150	440,250,972	205,844,970	158,233,591	42,700,686	230,436,274	7,103,697,515
b	Depreciation and Impairment									
	As at 30 June 2022	-	(459,863,396)	-	(322,532,090)	(189,593,580)	(129,108,812)	(29,689,783)	(185,659,408)	(1,316,447,070)
	Charge for the year		(72,773,622)	-	(38,048,631)	(9,056,584)	(10,809,942)	(5,089,890)	(18,833,306)	(154,611,974)
	As at 30 June 2023	-	(532,637,018)	-	(360,580,721)	(198,650,164)	(139,918,754)	(34,779,673)	(204,492,714)	(1,471,059,045)
c	NBV									
	NBV At 30 June 2022	2,282,760,000	2,283,907,718	372,453,122	66,025,711	8,669,190	23,434,441	8,579,889	44,776,866	5,090,606,936
	NBV At 30 June 2023	2,826,760,000	2,378,307,854	288,526,150	79,670,251	7,194,806	18,314,837	7,921,013	25,943,560	5,632,638,470

Note. The depreciation method used is straight line basis.

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25 (a) Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on 30th June 2023

25 (b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	2,826,760,000	0	2,826,760,000
Buildings	2,910,944,872	532,637,018	2,378,307,854
Plant And Machinery	440,250,972	360,580,721	79,670,251
Motor Vehicles, Including Motorcycles	230,436,274	204,492,715	25,943,559
Computers And Related Equipment	205,844,970	198,650,164	7,194,806
Office Equipment, Furniture, And Fittings	158,233,591	139,918,753	18,314,837
Library Books	42,700,686	34,779,673	7,921,013
Work in Progress	288,526,150	0	288,526,150
Total	7,103,697,515	1,471,059,044	5,632,638,470

Property plant and Equipment includes the following assets that are fully depreciated:

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	250,007,818	250,007,818
Motor Vehicles including Motorcycles	155,103,051	155,103,051
Computers and Related Equipment	178,648,020	178,648,020
Office Equipment, Furniture And Fittings	71,754,057	71,754,057
Library Books	22,341,126	22,341,126
Total	677,854,072	677,854,072

26	Biological Assets(Livestock)		
	Opening Balance	1,698,000	1,078,700
	Additions during the year	45,200	314,000
	Disposals for the year	0	-
	Profit / (Loss) on revaluation	-155,100	305,300

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	Closing Balance	1,588,100	1,698,000
	Biological assets relate to livestock kept for teaching and research purposes.		
27	Intangible Assets		
	Total Book Value 30th June 2022	22,470,955	22,470,955
	Addition for the year	0	0
	Total Book Value 30th June 2023	22,470,955	22,470,955
	Accumulated Amortization as at 30th June 2022	22,050,608	21,747,656
	Charge for the year	210,174	302,952
	Total Accumulated Amortization as at 30th June 2021	22,260,782	22,050,608
	Closing Balance	210,174	420,347
28	Butula Campus Development Project	6,113,710	109,200
29	Trade and Other Payables from Exchange Transactions		
	Accounts recurrent Payables	13,612,094	22,365,872
	Insurance Claim	1,422,320	1,374,297
	Projects Retention Money	5,198,064	0
	With Holding Tax Payables	16,774,766	17,783,976
	Bank Staff Loans Deductions	33,474,863	31,637,937
	Other Staff Deductions	4,185,057	3,858,981
	Payee	37,480,042	1,576,994
	Payroll Net pay	938,530	5,633,093
	NSSF	2,078,380	0
	NHIF	1,450,300	10,650,049
	Sacco Deduction	12,361,113	254,453
	Staff Pension Contributions	24,693,958	0
	Kusu MMUST Chapter	464,930	0
	Kudheia MMUST Chapter	102,390	130,753
	UASU MMUST Chapter	1,208,994	0
	Provision for Part time lecturers	130,753	0
	Out Put Vat	7,177,238	7,096,238
	Withholding VAT @ 2%	721,743	1,735,255
	Withholding VAT @2% of 114	165,175	229,726
	Staff Tuition Deduction	6,858	40,058
	Helb Loan Deductions	530,246	1,259,767

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	Customer Prepayments		-14		10,530
	Quick pay returns		1,246,422		
	Total Trade and Other Payables		165,424,222		105,637,979
30(a)	Aged Analysis	Current FY	% of total	Comparative year	% of total
	Under one year	141,388,043	85	59,786,243	56
	1-2 years	1,051,798	1	25,077,377	24
	2-3 years	1,158,224	1	106,426	1
	Over 3 years	21,826,157	13	20,667,933	19
	Refundable deposits from Customers				
	Prepayments		285,866,174		273,853,524
	CDF Control		27,007,930		38,056,354
	HELB Control		8,534,276		21,942,524
	Direct deposit allocation fund Acc.		32,340,796		30,200,545
	Caution Money		51,260,033		44,915,873
	Endowment Fund		700,000		200,000
	Butula Campus Research fund		13,886,290		20,000,000
	Total Refundable Deposits		419,595,499		429,168,820
30(b)	Refundable Deposits Payments				
	Balance B/F		429,168,820		
	Receipts for the year		(1,709,227)		
	Payment for the year		7,863,494		75,231,288
	Closing Balance		419,595,499		429,168,820
30(b)	Aged Analysis	Current FY	% of total	Comparative year	% of total
	Under one year	17,380,296	4	8,583,378	2
	1-2 years	17,041,527	4	17,166,752	4
	2-3 years	24,548	0	4,291,688	1
	Over 3 years	385,149,127	92	399,127,002	93
31	Butula Development Project				
	Butula Campus Research fund		13,886,290		20,000,000
32	Deferred Income				
	Research Grants & Donations		54,889,185		44,628,179

NO.	FUNDING ORGANISATION	RESEARCHER (PI)	BAL B/F- 01/07/2022	RECEIPT S- 2022/2023	AMOUNT EXPENDE D	BALAN CE
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01	STS INTRAHEALTH INTER.(FUNZO KENYA)	VICTOR DINDA	96,800	0	0	96,800
02	KPHSE RESEARCH GRANT FUND	DR.MUOMA	920,210	0	920,210	0
03	NACOSTI (NATIONAL RESEARCH FUND)	STUDENT RESEARCH FUNDS	1,080,000	0	0	1,080,000
04	NACOSTI (NATIONAL RESEARCH FUND)	PROF ACHOKA	400	0	0	400
05	NATIONAL RESEARCH FUND- MULTI DISC	PROF OMOLO	9,297	0	0	9,297
06	NATIONAL RESEARCH FUND - UTAFITI	PROF OBIRI	478,615	0	0	478,615
07	NATIONAL RESEARCH FUND - NRF	NRF	804,200	0	0	804,200
08	NATIONAL RESEARCH FUND - NRF FY2019/2020	NRF	292,595	0	37,790	254,805
09	LUTHERAN WORLD FEDERATION (LWF)	MR.RONALD MICHEKA	79,410	2,048,514	864,630	1,263,293
10	UNITED NATIONS UNIVESITY	DR. VITALIS OGEMAH	1,975			1,975
11	MACNIGHT - CIAT	PROF.HASSAN WERE	100	0	0	100
12	UNDP NDMA SYMPOSIUM	PROF CHINA/DORCAS MAINA	25,183	0	0	25,183
13	ASARECA	DR.JOHN MUOMA	2,783	0	0	2,783
14	INTER-CHILD DEVELOPMENT	PROF.SIMALA	160,029	0	0	160,029
15	AFRINIC LTD	DR.JAMES KULUBI	3,146	0	0	3,146
16	INSTITUTE FOR ADVANCED .S.STAUDIES		22,026	0	0	22,026
17	PEJABA		61,257	0	0	61,257
18	UNESCO(TWAS)	PROF WILIAM SHIVOGA	777	336,177	336,177	777
19	UNESCO SCIENCE	DR.CELINE	2,491	0	0	2,491
20	UNESCO(TWAS)		417			417
21	UNESCO(UNITED NATIONS SCI CULTURE)	DR.Omulkher	106,163	0	0	106,163
22	African Mathematic Millenim science		263	0	0	263
23	J HUTTON INSTITUTE		3,003	0	0	3,003
24	UNIVERSITY OF ST ANDREWS	PROF HASAN WERE	5,123,153	0	1,149,420	3,973,733
25	DANISH REFUGE COUNCIL	MR.RONALD MICHEKA	715,631	0	176,200	539,431

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26	UNIVERSITY OF CALIFORNIA	MR RAFAEL O ODONGO	7	0	0	7
27	ROMININYI OLUFEMI BOLANLE	DR.CATHERINE AURA	1,611	0	0	1,611
28	University of Cambridge (project 2)	DR.ANTHONY SIFUNA	1,641,913	81,715	1,131,950	591,678
29	University of polymouth	DR.KILUVA	1,179,588	0	0	1,179,588
30	NACCOSTI(NATIONAL COMM FOR SCI TECH AND INNO		3,975	0	0	3,975
31	KARLO (KENYA AGR & LIVE STOCK ORG)	DR.ANTHONY SIFUNA	1,848	0	0	1,848
32	IAEA (ATOMIC PROJECT)	DR.KONYOLE	723,472	755,958	1,369,873	109,557
33	WHOLE GENOME SEQ WORKSHOP	DR.ANTHONY SIFUNA	1,848	0	0	1,848
34	GLOBAL RESEARCH FUND(SOUTHAMPTON)	PROF OBIRI	1,122,263	1,011,894	1,170,733	963,423
35	USN-EYE FX PROJECT(NOREC)-EXCHANGE PRO.	OPTOMETRY DEPT	6,030,070	522,809	5,816,959	735,921
36	INTERNATIONAL PLANT GEN RESOURCE CENTRE		223	0	0	223
37	Western college		831,250	0	0	831,250
38	COPENHAGEN UNIVERSITET-HEALTHYINSECT PROJECT	DR.KONYOLE	1,153,724	12,355,225	5,124,601	8,384,348
39	ROYAL ACADEMY OF ENGINEERING	PROF.SABUNI	17,059	0	0	17,059
40	INTERNATIONAL FOUNDATION FOR SCIENCE (IFS)	PROF.ORATA	75,457	1,585,344	855,060	805,742
41	UNIVERSITY OF EDINBURG	DR.KILUVA	526,157	0	0	526,157
42	HEPSSA SPOKE-TUK	PROF.SABUNI	557,917	0	287,190	270,727
43	KYAMBOGO UNIVERSITY-UGANDA	DR.ROSE OPIYO	10,163,867	6,764,327	11,196,000	5,732,194
44	KARLO (KENYA AGR & LIVE STOCK ORG)	DR.UMELKHERI ABDULAH	240,000	0	240,000	0
45	BRANDENBURG UNIVERSITY	DR.C.AURA	105,268	0	0	105,268
46	UNIVERSITY OF CAMBRIDGE (PROJECT 1)	PROF HASSAN WERE	8,029	0	0	8,029
47	INTERNATIONAL FOUNDATION FOR SCIENCE (IFS)	EMMILY NGENO-R .ONGULU	584,438	0	506,091	78,347
48	FINN CHURCH AID-KENYA	RONALD MICHEKA	3,200,305	2,920,300	5,075,040	1,045,565
49	MINISTERIUM DER FINANZESTEMIC SPONSOR	DR.C.AURA	105,606	503,749	444,983	164,372

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50	ADDENBROOKE CHARITABLE TRUST	DR.ANTHONY SIFUNA	399,063	0	348,500	50,563
51	NATIONAL RESEARCH FUND-NRF	DR.MUGENI	108,000	0	0	108,000
52	AFRICAN RESEARCH EXCELENCE FUND-AREF PROJECT	DR.ANTHONY SIFUNA	29,156	246,002	160,800	114,358
53	INTERNATINAL NETWORK OF WOMEN IN SCIENCE-INWES	DR.A OKOTH	32,907	0	0	32,907
54	GLOBAL AFFAIRS CANADA-BIOSAFETY AND BIOSECURITY	FIDELIS MAMBO	5,793,234	1,488,300	5,476,138	1,805,396
55	BAT CONSERVATION INTERNATIONAL	DR.KANDA-PHD STUDENT	0	392,730	373,093	19,637
56	IMMUNIFY LIFE-GUY NEWING	DR.TECLA SUM	0	4,768,551	448,690	4,319,861
57	UNIVERSITY OF BRISTOL-PARC PROJECT	DR.FRED LISOUZA	0	4,989,742	1,174,083	3,815,658
58	ROBERT BOSCH-STIFTUNG- CMARN PROJECT	DR.NICODEMUS NYANDIKO	0	6,288,836	279,639	6,009,196
59	IMPERIAL UNIVERSITY -LONDON	DR. ANTHONY SIFUNA	0	8,342,946	178,262	8,164,684
	TOTAL RESEARCH GRANTS	Total	44,628,179	55,403,120	45,142,114	54,889,185

33	Employee Benefit Obligation		
	Gratuity	49,443,678	34,854,513
			0
	Total	49,443,678	34,854,513

Description	Defined Contribution Plan	Post-employment medical benefits	Other Benefits	(Current FY)	(Comparative FY)
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	49,443,678	34,854,513
Non-Current Benefit Obligation	0	0	0	0	0
Total Employee Benefits Obligation	0	0	0	49,443,678	34,854,513

Retirement benefit Asset/ Liability

The Entity operates a defined contribution benefit scheme for employees on permanent and pensionable terms from July 1, 2003. The scheme is administered by Octagon Pensions Services Limited while KCB Bank Ltd are the custodians of the scheme. Employees contribute at the rate of

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10% of the monthly basic salary while the employer contributes 20% of the monthly basic salary.

Being a defined contribution benefits plan, the Scheme does not have to do an actuarial valuation every year.

The University also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 2,160 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by the university as MMUST staff retirement benefit scheme. Employees contribute 10% while employers contribute 20% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

34	Capital Development Grants		
	MMUST- Capital Received	35,000,000	100,000,000
	MMUST- Capital receivable	40,202,982	
	Donation of equipment	1,408,395	
	Butula campus	6,113,710	
	Acquisition of land (Desktop Valuation)	544,000,000	
	Total Capital Grants	626,725,087	100,000,000
35	Changes in revenue reserves		
	Details		0
	Tuition fees and related charges		
	Other Debits	(21,447,184)	-505,255,067
	Other Credits	1,411,944	14,425,135
	Total	(20,035,240)	-490,829,932

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36. Contingent Liabilities

The University had a number of cases that were in court touching on various issues. The University discloses these liabilities herein for proper information.

No	Case/ Dispute Name	Case/Dispute No.	Petitioner/ Plaintiff/ Claimant	Defendant(s)	Issues in dispute (a) In general and; (b) between the public entities	Quantum of claim	Status (e.g., prelim, filing, hearing, appeal etc.)	Legal costs incurred to date (Legal fees)
.	Dr. Ferdinard Chirure vs Nyongesa Mmust	ELRC Petition No. E005 OF 2021	Dr. Ferdinard Nyongesa Chirure	Masinde Muliro University of Science and Technology	Employment Promotions Dispute	N/A	Judgment delivered, notice of appeal filled by the Petitioner	Kshs. 400,000
.	Johnson Simiyu Litiema Vs Masinde Muliro University of Science and Technology	ELRC Cause No. 239 of 2018	Johnson Simiyu Litiema	Masinde Muliro University of Science and Technology	Employment	Kshs. 650,000. 00/=	Hearing	Kshs. 450,000
.	Midland Properties vs Masinde Muliro University of Science and Technology	Kakamega ELRC 11 of 2020	Midland Properties	Masinde Muliro University of Science and Technology	Contract Dispute	Kshs. 25,000,0 00.00/=	Hearing on going	Kshs. 800,000

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	Mutimba Creser Vs Masinde Muliro University of Science and Technology	Kakamega Constitutional Petition No, 12 of 2019	Mutimba Creser	Masinde Muliro University of Science and Technology	Revocation of Certificates	Kshs. 1,500,000.00	Appeal	Kshs. 500,000
	Middlestone Kesese vs Masinde Muliro University of Science and Technology	Kisumu ELRC No. 214 of 2018	Middlestone Kesese	Masinde Muliro University of Science and Technology	Employment dispute	Kshs. 1,265,576.00/=	Hearing concluded waiting for Final Judgement in March 2023	Kshs. 750,000
	Midland Emporium vs Masinde Muliro University of Science and Technology	Kakamega High Court No. 77 of 2007	Midland Emporium Limited	Masinde Muliro University of Science and Technology	Contract Dispute	Kshs. 25,000,000.00/=	Hearing	Kshs. 8,000,000
	Joash Mabonga, Leah Mbira and Beatrice Gorry vs Mmust	Bungoma ELRC Cause 60, 9 and 10 of 2022	Beatrice M. Gorry Joash Mabonga	Masinde Muliro University of Science and Technology	Contract Dispute	Kshs. 37,050,720.00/=	Hearing	Kshs. 500,000.00/=
	Odhiambo Onyango vs Mmust	Bungoma case 9 of 2022	Odhiambo Onyango	Masinde Muliro University of Science and Technology	Contract Dispute		Hearing	
10	Dr. Ferdinard Nyongesa Chirure vs Mmust	Bungoma ELRC Cause No. E023 of	Dr. Ferdinard Nyongesa Chirure	Masinde Muliro University of Science and Technology	Employment dispute	N/A	Hearing	Kshs. 500,000

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		2022						
11	Kenya National Union of Nurses vs Mmust	Bungoma ELRC No. E014 of 2022	Kenya Union of Nurses	Masinde Muliro University of Science and Technology	Labour relations Failure to sign a Recognition agreement with the Union	N/A	Hearing	Kshs. 2,000,000
12	Dr. George Odongo vs Mmust	Bungoma ELRC No. E025 of 2022	Dr. George Odongo	Masinde Muliro University of Science and Technology	Employment Dispute	Kshs. 2,000,000.00/=	Hearing	Kshs. 800,000
13	Vincent Chibinu vs Malaya Mmust	Bungoma Petition No. E015 of 2022	Vincent Chibinu Malaya	Masinde Muliro University of Science and Technology	Employment Dispute	Kshs. 12,375,877.76/=	Preliminary	Kshs. 600,000
14	Kenya Universities Staff Union vs Mmust	Bungoma ELRC No. E051 of 2022	Kenya Universities Staff Union – Mmust Chapter	Masinde Muliro University of Science and Technology	Employment Dispute	N/A	Preliminary	Kshs. 1,500,000.
15	Mocan Security Services Limited vs Mmust	Kakamega MCC/E183 of 2022	Mocan Security Services	Masinde Muliro University of Science and Technology	Contract Dispute	Kshs. 3,455,664.10/=	Preliminary	Kshs. 1,000,000
16	Johnson Simiyu vs Litiema Mmust	Kakamega Constitutional Petition No. E022 of 2022	Johnson Simiyu Litiema	Masinde Muliro University of Science and Technology	Human Rights petition	Kshs. 16,200,000/=	Preliminary	Kshs. 1,000,000

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17	Masinde Muliro University of Science and Technology vs Co-operative Bank	Kakamega Civil Suit No. 06 of 2022	Masinde Muliro University of Science and Technology	Co-operative bank of Kenya	Fraud	Kshs. 15,954,736.00/=	Preliminary	Kshs. 2,000,000
18	Masinde Muliro University of Science and Technology vs John Litiema & 5 Others	CMCC Mumias Civil Suit No. E5 of 2021	Masinde Muliro University of Science and Technology	John Litiema, Penina Awinja, Rose Angote, Leah Mbira, Abnery Malenje and Frankline Buluma	Defamation	N/A	Hearing	Kshs. 1,000,000
19	Midland Properties Investment Limited vs Masinde Muliro University of Science and Technology	Kakamega Jc ELC NO. 363 of 2017	Midland Properties Investment Limited	Masinde Muliro University of Science and Technology	Contract Payment Dispute	Kshs. 28,862,000.00/=	Hearing	Kshs. 6,000,000

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37. Related Party Disclosures

Details	2023	2022
Council Remuneration	22,144,256	30,257,207
Chancellor Expense	1,630,882	1,967,550

38. Financial Risk Management

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

(i) Credit risk

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

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

30 th June 2022	Fully Performing	Past Due but not impaired	Past due and impaired	Total
	Kshs.	Kshs.	Kshs.	Kshs.
Financial Assets				
Receivables from Exchange Transactions	828,685,901			828,685,901
Receivables from Non-Exchange Transactions	19,491,150			19,491,150
Cash at Bank	562,494,486			562,494,486
Gross financial assets	1,410,671,537		-	1,410,671,537

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30th June 2023	Fully Performing	Past Due but not impaired	Past due and impaired	Total
	Kshs.	Kshs.	Kshs.	Kshs.
Financial Assets				
Receivables from Exchange Transactions	911,436,567			911,436,567
Receivables from Non-Exchange Transactions	83,703,138			83,703,138
Cash at Bank	517,481,333			517,481,333
Gross financial assets	1,512,621,038	-	-	1,512,621,038

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables			165,424,222	165,424,222
Current portion of borrowings				
Provisions				
Deferred income			54,889,185	54,889,185
Employee benefit obligation			49,443,678	49,443,678
Total			269,757,085	269,757,085
As at 30th June (Previous FY)				
Trade payables			105,637,979	105,637,979
Current portion of borrowings				
Provisions				
Deferred income			44,889,185	44,889,185
Employee benefit obligation			34,854,513	34,854,513
Total			185,381,677	185,381,677

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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 University 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 University'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 optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

a) Foreign currency risk

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

Year ended 30th June 2022	US\$	Total
	Kshs.	Kshs.
Financial Assets		
Trade Receivables.		841,887,452
Trade Payables		(613,019,194)
Borrowings		0
Net Exposure		228,868,258
		0
Year ended 30th June 2023	US\$	Total
	Kshs.	Kshs.
Financial Assets		0
Trade Receivables.		995,139,705
Trade Payables		(689,352,584)
Borrowings		0
Net Exposure		0

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b) Interest rate risk

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

Management of interest rate risk

To manage the interest rate risk, management has endeavored 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. The analysis has been performed on the same basis as the prior year.

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value

Determination of fair value and fair values hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the 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

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when available. The University considers relevant and observable market prices in its valuations where possible.

a) Financial instruments not measured at fair value (Continued)

Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

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

Description	2023	2022
	Kshs	Kshs
Revaluation Reserve	2,327,333,897	2,327,488,997
Retained Earnings	3,411,294,804	3,432,600,341
Capital Reserve	776,725,087	150,000,000
Total Funds	6,515,353,788	5,910,089,338
Total Borrowings	0	0
Less: Cash and Bank Balances	(517,481,332)	(562,494,485)
Net Debt/(Excess Cash And Cash Equivalents)	5,997,872,456	5,347,594,852
Gearing	0	0

39. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) Ministry of Education
- iii) Commission for University Education
- iv) MMUST Council
- v) Turkana University College

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40. Events after the Reporting Period

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

41. Ultimate and Holding University

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

42. Biological assets

Biological Assets are animals that are kept by the University for the purpose of teaching and research in the furtherance of its core mandate. The products such as milk and eggs derived from such biological assets are sold and income thereof recognized as per the relevant accounting policy.

43. Currency

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

44. Co-operative Bank Debt of Kshs. 18,279,388.65

The University sometimes in 2012 lodged a claim against Co-operative Bank of Kshs. 18,279,388.65 which was a result of reversals effected by the bank on the University bank account without justifiable grounds or reference to the University. This amount of Kshs 18,279,388.65 is composed of both principal and interest amounts of Kshs 7,396,900 and 10,882,488.65 respectively.

This disclosure follows the requirement of the IPSAS relating to a contingent asset such that we make a disclosure in the notes. The Council is engaging the bank to reach amicable settlement.

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45. APPENDICES

Appendix 1: IMPLEMENTATION STATUS OF AUDITOR GENERAL'S RECOMMENDATIONS

The following is the summary of issues raised by the Auditor General and management comments on the status of implementation. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

AUDIT ISSUE	AUDITORS OBSERVATION	MANAGEMENT ACTION	Focal Person	Status	Timeline
BASIS OF QUALIFIED OPINION					
1.UNSUPPORTED PRIOR YEAR ADJUSTMENT	<p>The Statement of changes in net assets reflects a negative prior year adjustment balance of Kshs. 490,829,932 in respect of capital grants reserve. However, documents in support of the adjustments were not provided for audit review. Further, the adjustment was not made in accordance with Paragraph 47 of IPSAS 3 which requires that prior year adjustments should be made by the way of restating the comparative amounts for prior periods presented in which the errors occurred.</p> <p>In the circumstances, the accuracy and completeness of the negative prior year adjustment balance of Kshs. 490,829,932 could not be confirmed.</p>	<p>Management takes seriously the recommendations of the audit especially with respect to the accuracy of the financial statements.</p> <p>Whereas IPAS 3 requires retrospective restatement of the prior period that is 2021 when material errors have been correct, it was technically impossible to pass these adjustments in that period.</p> <p>Management judgment to correct these errors prospectively was informed by the need for faithful representation of economic conditions existing at the point of reporting by the entity.</p> <p>We have provided the support documents for the composition of the amount for verification as to the confirmations of the completeness of the same.</p>	Finance Officer	Unresolved	

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<p>1. UNSUPPORTED REVENUE RESERVES</p>	<p>The statement of cash flows for the year ended 30th June, 2022 reflects an amount of Kshs. 19,181,731 in respect of revenue reserves. However, the balance has no notes to explain the nature of the transaction.</p> <p>In the circumstances, the accuracy and completeness of the revenue reserves balance of Kshs. 19,181,731 could not be confirmed.</p>	<p>The adjustments touched on prior year items cash flow as shown as follows.</p> <table border="1" data-bbox="985 909 1635 1340"> <thead> <tr> <th>Doc. No</th> <th>Type/ Source</th> <th>Debit</th> <th>Notes</th> </tr> </thead> <tbody> <tr> <td>Jv1690 5</td> <td>Journal Entry</td> <td>7,971,660</td> <td>Correction Of Misposting On Wrong Account</td> </tr> <tr> <td>Jv1692 5</td> <td>Journal Entry</td> <td>4,389,149</td> <td>Write Off For Overstated Stock</td> </tr> <tr> <td>Jv1692 7</td> <td>Journal Entry</td> <td>6,818,778</td> <td>Write Off For Overstated Stock</td> </tr> <tr> <td>Jv1692 4</td> <td>Journal Entry</td> <td>2,144</td> <td>Correction Of Miss posting On Wrong Account</td> </tr> <tr> <td></td> <td></td> <td>19,181,731</td> <td></td> </tr> </tbody> </table>	Doc. No	Type/ Source	Debit	Notes	Jv1690 5	Journal Entry	7,971,660	Correction Of Misposting On Wrong Account	Jv1692 5	Journal Entry	4,389,149	Write Off For Overstated Stock	Jv1692 7	Journal Entry	6,818,778	Write Off For Overstated Stock	Jv1692 4	Journal Entry	2,144	Correction Of Miss posting On Wrong Account			19,181,731		<p>Finance Officer</p>	<p>Resolved</p>	
Doc. No	Type/ Source	Debit	Notes																										
Jv1690 5	Journal Entry	7,971,660	Correction Of Misposting On Wrong Account																										
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<p>2. ANOMALIES IN CASH AND CASH EQUIVALENTS</p>	<p>The statement of financial position reflects a cash and cash equivalents balance of Kshs. 562,494,485 which, as disclosed in Note 21 to the financial statements comprises of balances totaling to Kshs. 561,159,771 held in ten (10) bank accounts and balance of Kshs. 1,334,715 indicated as banking awaiting clearing. However, the following anomalies were noted:</p> <p>i. The bank reconciliation statement for student deposit account for the month of June, 2022 reflects direct bankings totaling Kshs. 339,506 not entered in the cash book. The bankings were made between March and June, 2022. No explanation was provided on the failure to update the cash book with these receipts. The bank reconciliation statement also reflects receipts in the cash book not recorded in the bank statements totaling to Kshs. 60,000. No explanation was provided for the failure to bank the receipts.</p> <p>ii. The bank reconciliation statement for the month of June, 2022 for payments</p>	<p>1. Kshs 339,506 referred to in the Audit report relates direct deposits to the bank. The ERP system could not auto-receipt the deposits due to insufficient student details such as the student registration numbers.</p> <p>We wish to confirm that, these reconciling items of Kshs 339,506 already secured in the bank were cleared and receipted to the cash book in the subsequent month as evidenced by the annexed receipts and bank reconciliation.</p> <p>Management conducts continuous bank reconciliation to minimize the unidentified direct deposits on a daily basis .</p> <p>(Appendix 1 Bank Reconciliation Reports and extract of Cashbooks)</p> <p>2.Kshs 60,000 relates to three receipts that were erroneously double receipted. A failed auto receipt was manually receipted. This was prompted by the concerned students showing with bank deposits slips and wanted to be serviced. In intervening period, the auto- receipt when through hence resulting to a double receipts. The double receipt was captured in April 2022 Bank reconciliation as outstanding and should have been cancelled and cleared in May2022. We regret this did not happen hence its appearance in June 2022 reconciliation. We confirm that, the three cheques double receipted were cancelled in the subsequent month.</p> <ol style="list-style-type: none"> 1. Receipt numbers 673449(ERP) & 673506 (manual) Kshs 30,000 dated 9/3/2022 2. Receipt numbers 678982 (ERP) & 684102 (manual) of Kshs 25,000. Date 10th April 2022 3. Receipt number 684101 of Kshs 5,000 miss 			
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	<p>accounts reflects payments in bank statements totaling Kshs. 1,901,143 not recorded in the cash book. The payments relate to the period between March, 2020 and April, 2022. No explanation was provided for the failure to update the cash book with the payments.</p>	<p>posted Management has put in controls to ensure that in case of system failure, deposit slips are verified from the bank statement by a senior officer who then authorizes the manual receipting. (Appendix 2)</p>			
<p>3. LONG OUTSTANDING STUDENT DEBTORS</p>	<p>The statement of financial position reflects a net balance of Kshs. 822,396,302 in respect of receivables from exchange transaction, as disclosed in Note 22 to the financial statements, which reflects an amount of Kshs. 877,547,665 relating to student debtors. Verification of the ageing analysis provided revealed that only debtors amounting to Kshs. 66,182,396 are current while the balance of Kshs. 811,365,269 are old debtors. Out of these amounts, debtors amounting to Kshs. 577,060,683 are indicated to be over 366 days old. No explanation was provided for the failure to recover the old outstanding student debtors.</p> <p>In the circumstances, the collectability of the long outstanding debtors</p>	<p>1. Out the total outstanding student debtors, Kshs 309,133,595 relates to active students many of whom defer examinations because of fee balances. This portfolio of students' debtors though aged over 366 days are collectable. Many of these students are active on payments and have cleared their fees to be allowed to graduate.</p> <p>2. Included in the debtors' portfolio are Kshs 55,724,650 relating to students invoiced but did not transact any fee payments. Management on completion of student debtors' analysis will recommend to Council this category of fee payable for write off.</p> <p>3. Post graduate students outstanding fee is Kshs 220,218, 754. Students under this category report then takes long to complete their studies. Many register and become inactive in so far as fee payment is concerned.</p> <p>Management is presenting a policy of postgraduate. This will guide the student study progression and time</p>	<p>Vice Chancell or Deputy Vice Chancell or ASA Registrar Academic Affairs Finance Officer ICT Manager</p>	<p>Pending since the item keeps on growing due to nature of business.</p>	

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	<p>amounting to Kshs. 811,365,269 is doubtful.</p>	<p>limit on completion of studies, going forward. Under post graduate program, Kshs. 20,682,100 relates to students invoiced but have not transacted any fee payment over the period. Management will recommend this category of debtors to council of write offs.</p> <p>Further recommendation will be made for postgraduate students who though they have cleared year one fees have advance invoices which have remained not serviced for a long period of time amounting to Kshs 16,153,955d.</p> <p>4.For the undergraduate programs, analysis has been undertaken and student debtors grouped into actionable groups. Included are students who have not transacted any fee payment with outstanding invoices totaling Kshs 35,042,550. Management is recommending these debtors to Council for a write-off.</p> <p>5.Management is also working on a huge portfolio of students' debtors that relates student who have completed studies and have not graduated because of fee balances totaling Kshs 128,316,176. We report cases under this category where the concerned students' come to clear' fees and graduate.</p> <p>6.From the above analysis, it clears the University will still carry over these debts since as analyzed collectability is possible.</p>			
KEY AUDIT MATTERS					
<p>1. UNRESOLEVED PRIOR YEAR MATTERS</p>	<p>In the audit of previous year, several issues were raised in the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. Management has indicated in the</p>	<p>Management clarifies that it provided all the required evidences to show progress in the resolutions of prior year audit. This was reviewed and considered closed pending appearance before the relevant committee of the National Assembly.</p> <p style="text-align: center;">Appendix 3 (resolutions)</p>	<p>UMB</p>	<p>Resolved</p>	<p>30th June 2023</p>

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	progress on follow-up of prior year auditor's recommendations section that some issues have been resolved while others have not been resolved. However, no explanation and documentary evidence were provided on how the issues indicated as resolved were resolved and why the rest of the issues have not been resolved.				
2. OUTSANDING CO-OPERATIVE BANK DEBT	Note 44 to the financial statement reflect a balance of Kshs. 18,279,389, which comprises of a principal amount of Kshs.7, 396,900 and interest of Kshs. 10,882,489 relating to amount owed to the University by Co-operative Bank of Kenya Limited. This was reversals effected by the Bank on the account in 2012 without reference to the Management. Although the Management indicated that they lodged a claim for the same there was no acknowledgement from the Bank receiving the claim. In the circumstance, the recoverability of the amount could not be confirmed.	The bank in their letter dated 16 th December gave a proposal for the principal loss of Kshs 7,396,900 to shared equally. The University initially declined the proposal insisting on full payment. However, after advisories from the legal Officer, the University council resolved that, the Cooperative bank issue be settled out of court. The Council has further resolved that, the Co-operative bank proposal to settle half of the principal be considered and the matter resolved conclusively. The Council should make resolutions as per the request of the bank to bring the matter to closure Appendix 3(Bank Letter and Council Decision)	UMB	Yet to be closed	30 th September 2023
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES.					

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	exceed 35% of the revenue. In the circumstance, Management was in breach of the law.				costs.
LACK OF CONTROLS OVER PERSONNEL AND PAYROLL DATA IN THE MANAGEMENT AND ADMINISTRATION OF EMPLOYEE COSTS	<p>Verification of the University's payroll for the year under review revealed that the payroll did not have the employee's bio data and other important details such as name- surname, first name and other names, gender, ethnic code, job group, academic qualification, date of birth, date of employment, month of increment, date of payment and bank code. In addition, both earnings and deductions were not synchronized within the same sheet of the payroll for different months of the financial year. It was further observed that the payroll still contains details of employees who have already exited the University either by retirement or natural attrition thereby making the payroll gullible to human manipulation. In the circumstances, the reliability of the payroll data could not be confirmed.</p>	<p>The University operates an integrated management information system with various Modules. Amongst them are the HR and payroll modules which are interlinked. The payroll module is link to HR module which has full bio data of all its employees. All necessary details of the employee are captured in the HR modules. This HR module like all the others modules are customization hence any addition payroll data can be captures by introduction of the necessary fields.</p> <p>Management wish to attach an extract of the Bio data details from the HR module for your information</p> <p>Management further wish to confirm that payroll data of any employees change of status like, death, retirement, exits and others are not deleted in the HR module but instead are de-activated and archived in the system accordingly. The payroll can only process salaries for staff classified as active in the system.</p> <p>Management confirms that, the payroll is reliable and with sufficient work flow of operation</p>	Deputy Vice Chancell or A&F Registrar Administr ation	Unresolv ed	open

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Appendix II: CAPITAL PROJECTS COMPLETION STATUS AS AT 30TH JUNE 2023

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Source of funds
1	Swimming Pool	93,719,180	45,976,130	71%	44,856,000	27,491,429	AIA
2	Foot Bridge	11,419,395	10,144,601	91%	9,410,000	4,407,300	AIA
3	Engineering Complex	716,991,230	151,738,840	23%	140,000,000	45,976,130	GoK Dev Grants

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Appendix III: Transfer from Other government Entities

Break down of Transfers from the State Department of University Education				
	FY 22/23			
a	Recurrent Grants			
	MMUST			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
		July	146,895,125	2022/2023
		August	146,895,125	2022/2023
		September	146,895,125	2022/2023
		October	146,895,125	2022/2023
		November	146,895,126	2022/2023
		December	146,895,125	2022/2023
		January	146,895,126	2022/2023
		February	146,895,126	2022/2023
		March	146,895,124	2022/2023
		April	146,895,125	2022/2023
		May	146,895,125	2022/2023
		June	146,895,125	2022/2023
		Sub total	1,762,741,502	
b	Development Grants			
	MMUST			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
		September-Engineering Complex	35,000,000	2022/2023
		June - Engineering Complex	40,202,982	2022/2023
		TOTAL	75,202,982	

The above amounts have been communicated to and reconciled with the parent Ministry
 Finance Officer
 MMUST

Head of Accounting Unit
 State Dept. of University Education

Sign -----

Sign-----