

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT 1 MAR 2024

OF

THE AUDITOR-GENERAL

ON

DATE 21 MAR 2024

THURS
Hon Naomi Wago, mp
Deputy Majority Whip
A. Shubuka

GARISSA UNIVERSITY

FOR THE YEAR ENDED
30 JUNE, 2023



OFFICE OF THE AUDITOR GENERAL,
P. O. Box 30084 00100, NAIROBI
REGISTRY
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GARISSA UNIVERSITY

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)

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 21 MAR 2024
Tabled by: _____
Clerk to the Table: _____

Garissa University
Annual Report and Financial Statements
for the year ended June 30, 2023.

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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
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
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

B: Glossary of Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The Garissa University was established as a constituent college of Moi University on 12th August, 2011 through Legal Notice No. 116, the Moi University Act (Cap. 210A), and the Garissa University College Order 2011. The University become a fully-fledged public University on 23rd October 2017. At cabinet level, the Cabinet Secretary for Ministry of Education (MOE), who is responsible for the general policy and strategic direction of the University, represents Garissa University.

The University has three teaching schools and an institute as follows:

- a) School of Business and Economics
- b) School of Pure and Applied Science
- c) School of Education Arts and Social Sciences
- d) Institute of Peace and Security studies.

The three teaching Schools and an institute offer various academic programs ranging from Certificate to Post graduate programs in Pure & Applied Sciences, Business & Economics, Education, Arts & Social Sciences, Dry Land Environment and Natural Resources and Peace and Security Studies. The current student population stands at 1905 majority being self-sponsored students. The University has limited physical infrastructure and inadequate academic staffing level to train students in these fields but optimistic to grow if funded well by the government and donor fund.

(b) Principal Activities

The principal activities of Garissa University are teaching, research and community outreach and its mission is to nurture talent through research, innovation, consultancy, community outreach, entrepreneurship, imparting knowledge and skills to meet the needs of the society.

Key Entity Information and Management (continued)

(c) Key Management

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

1. University Council
2. Senate
3. University Management Board

(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:

No.	Designation	Name
1.	Ag. Vice-Chancellor	Prof. Ahmed Abdikadir Osman
2.	Ag. Deputy Vice-Chancellor(Academic & Student Affairs)	Prof. Justus Mochama Gori
3.	Ag. Deputy Vice-Chancellor (Finance, Administrative & Planning)	Prof. Stephen Irura Ng'ang'a
4.	University Librarian	Dr. Iddi Juma
5.	Registrar -Academic and Student's Affairs	Dr. Aden Ali Abdi
6.	Registrar - Administration and Planning	CS. Salah Abdirahman Farah
7.	Assistant Dean of Students	Dr. Noor Mohamed Abdinoor
8.	Head of Finance	CPA Aden Musa Mohamud
9.	Head of Procurement	CPSP. Hussein Yussuf Noor
10.	Legal Officer	Ms. Balqesa Ibrahim Ahmed

Key Entity Information and Management (continued)

(e) Fiduciary Oversight Arrangements

The University has a Council which provides the overall oversight responsibility on the management of the University which includes:- recruitment of staff, approval of statutes of the University and cause them to be published in the Kenya gazette, approval of policies, approval of the budget, manage, supervise and administer the University assets; determine the provisions to be made for capital and recurrent expenditure and for reserves; receive any grants, donations or endowments on behalf of the University; enter into association, collaboration, partnership or linkages with other entities. The University governing Council exercises its governing and operational functions through its established standing committees with clear Terms of Reference. These committees are:

- ❖ Audit, Risk and Compliance committee (ARCC),
- ❖ Academic, Research and Community Outreach committee (ARCOC),
- ❖ Governance, Human Resource and Students Welfare committee (GHRSWC) and
- ❖ Finance, Development and General Purpose committee (FDGPC).

(f) Entity Headquarters

Garissa University
Main Campus
P.O.Box 1801 – 70100
Garissa University Building
University Way Road, off Kismayu Road
Garissa, KENYA.

(g) Entity Contacts

Telephone :(+254) 722 583 900
E-mail:vc@gau.ac.ke
Website: www.gau.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Garissa Main Branch
P.O Box 560 – 70100
City Square 00200
GARISSA, KENYA

Equity Bank
Garissa Branch
P.O. Box 700 – 70100
GARISSA, KENY

Key Entity Information and Management (continued)

(i) Independent Auditor

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 and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

UNIVERSITY COUNCIL



Dr. Margaret Mumbi Gikuhi, EGS

Dr. Margaret Mumbi Gikuni holds a PhD in Educational Administration & Planning from the Catholic University of Eastern Africa and a Master of Education degree from the same University. She also has a Bachelor of Education (Arts) degree from the UoN.

Dr. Gikuhi has over 30 years' experience as a teacher and over 10 years' experience in the Higher education sector. She has served as a Senior Quality Assurance and Standards officer and other senior positions at the Teachers Service Commission for over six years.

Dr. Gikuhi has been the Chair of Council for the University of Embu for two terms.

She is the current Chair of Council for Garissa University



Dr. Billow Khalid

Dr. Billow Khalid holds a PhD in Business Administration from University of Nairobi and a Master in Business Administration (MBA) Specialization; Strategy, Entrepreneurship, HRM and Public Policy Issues from UoN.

Dr Billow Khalid is a Certified Public Secretary and a member of the Kenya Institute of Management.

He has worked in the Defense sector both in Kenya and abroad in different capacities for over 30 years and served as an Officer Commanding (Major) the training and Career Development Department at the Armed Forces College of Accountancy and Secretarial Studies at Kabete, Westlands-Nairobi.

He was also a member of Intergovernmental Relation Technical Committee for over 5 years.

Dr. Billow is an independent member of Council



Mr. Bonface K. Ngigi

Mr. Bonface K. Ngigi holds a Master's Degree in Project Planning Management from The University of Nairobi and a Bachelor's of Science in Mathematics (Statistics) from The Catholic University of Eastern Africa.

He has vast experience in Negotiation of Agreements, Investments, Regional Integration, National Budget preparation, Economic Policy formulation and analysis in areas related to Environment and Natural Resource Governance; Low Carbon, Sustainable Development, Climate Financing, as well as Disaster Risk Financing. Over 15 years in Planning and Budgeting

He is the Representative of the PS - National Treasury in the Council



Mr. Hassan Duale

Mr. Hassan Duale holds Master's degree in Education Management and Administration and Master's Degree in Business Administration

Mr. Duale has 20 years' experience in the education administration and Management cutting across the field of administration.

Mr. Duale is a member of the Kenya Association of Educational Administration and Management.

He is the representative of the Principal Secretary State Department of University Education and Research.



Mrs. Jacinta M. Anyango Kapiyo

Mrs. Jacinta M. Anyango Kapiyo holds a Master of Education (Education planning, Administration and Curriculum Development) from Kenyatta University as well as Bachelor of Education for University of Nairobi. She is currently pursuing a PhD in Education planning and Administration at the Catholic University of Eastern Africa (CUEA)

Mrs. Kapiyo has over 35 years' experience in teaching and in Education administration. She has served as the Deputy Director, Secondary and tertiary education as well as the Director for University Education.

She has also served as a representative of the PS University Education in the Technical University of Kenya and Rongo Universities

Mrs. Kapiyo is currently the vice chairperson of Kisumu County Public Service Board.

She is an independent member of Council



Mr. Hassan Sheikh Mohamed, OGW

Mr. Hassan Sheikh Mohamed, OGW holds a master of Arts in Economics and Social Studies-Development Administration and Management Option from the University of Manchester, UK. He also has a Postgraduate Diploma in Public Administration and Management for Glasgow Caledonian University, UK and a Diploma in Range Management from Egerton University.

Mr. Hassan has over 30 years' experience in Public Administration and Management, Peace Building and Conflict Management as well as Public Financial Management

He has also served as a commission secretary of National Cohesion and Integration Commission (NCIC) and in multiple middle and senior leadership positions in Government and the Intergovernmental Authority on Development (IGAD)

He is an independent member of Council



Mr. Brian Gikunda Kiautha

Mr. Brian Gikunda Kiautha holds a Masters in Mercantile Law, an LLB and a Bachelor of commerce in law from University of Pretoria as well as a Bachelor of Commerce, Business Management University of South Africa. He, is currently pursuing a PhD degree in Mercantile Law at the University of Pretoria.

Mr. Brian has over 8 years' experience in Law and Financial Management. He has also served as a sports Journalist with the Perdeby, University of Pretoria newspaper.

He is an independent member of Council






Prof. Ahmed Osman Warfa




Prof. Ahmed Osman Warfa is a Professor of Curriculum & Instructions at Moi University.

He holds PhD (Curriculum and Instruction; Supervision of Instruction, Ohio University; M.Ed. (Secondary Education, Ohio University; MA (International Studies, Ohio University; BA (English & History, Ohio); Dip Ed (English Language & Literature, Siriba Teachers College) Has over 30 years of work experience in Universities.


Prof. Warfa is Currently the acting Vice Chancellor, Garissa University and Secretary to the Council



3. UNIVERSITY KEY MANAGEMENT TEAM

Name	Key Professional/Academic Qualification	Area of Responsibility
 <p>Prof. Ahmed Osman Warfa</p>	<p>PhD (Curriculum and Instruction; Supervision of Instruction, Ohio University); M.Ed. (Secondary Education, Ohio University); MA (International Studies, Ohio University); BA (English & History, Ohio);</p> <p>School Administration and Supervision of Instruction, Curriculum planning and Development. Over 30 years of experience in Education.</p> <p>Currently the acting Vice Chancellor, Garissa University and Secretary to the Council</p>	<p>Ag. Vice Chancellor</p>
 <p>Prof. Stephen Irura Ng'ang'a</p>	<p>Doctor of Philosophy in Planning – Maseno University (2011), Master of Philosophy in Entrepreneurship – Moi University (2003), National Diploma in Business Management – The Kenya Institute of Management (1996), Master of Science in Forest Industries Technology – University College North Wales (1993), Graduate Diploma in Timber Technology- Bucks College in United Kingdom (UK) (1990). Diploma in Industrial Education- Kenya Technical Teachers College (1986). Over 30 years' experience in Teaching/Administration</p>	<p>Ag. Deputy Vice Chancellor Finance, Administration and Planning (FAP)</p>
 <p>Prof. Justus Mochama Gori</p>	<p>PhD in Educational Management from the University of Botswana (Botswana), M.A. in Organization, Planning and Management in Education from the University of Reading (UK), B.Ed. from Kenyatta University (Kenya).</p> <p>Prof. Gori has more than 30 years of teaching experience at University and secondary schools in Kenya, Botswana and England.</p>	<p>Ag. Deputy Vice Chancellor Academic and Student Affairs (ASA).</p>

 <p>Dr. Iddi Webukha Juma, PhD</p>	<p>Doctor of Philosophy in Library and Information Studies (Moi), Master of Philosophy in Information Sciences (Library and Information Studies) (Moi), Bachelor of Science in Information Sciences (Moi).</p> <p>Has over 22 years working experience in Library and Information related fields both in institutions of higher learning and the private sector with special interest in Research and Innovation, Information and Communication Technology, Publishing/Book Trade, Records Management and Media Technology.</p>	<p>The University Librarian</p>
 <p>Dr. Aden Ali Abdi</p>	<p>Dr. Aden is a Senior Lecturer of Educational Leadership and Management. He is the Acting Registrar, Academic & Student Affairs. He served as Dean, School of Education, and Arts & Social Sciences from 2020 to 2022. He is an educator and an administrator with 20 years of experience in the education sector. He has been involved in capacity building of educators including facilitation of a World Bank project on educational leadership and management for High School Principals in Uganda, conducted by Aga Khan University.</p> <p>He holds a PhD in Education from North Eastern Hill University, Master of Education (Leadership & Management) from the Aga Khan University, Bachelor of Education in Secondary Education-(Science) from Kampala International University.</p>	<p>Ag Registrar, Academic & Student Affairs</p>
 <p>CS Salah A. Farah</p>	<p>PhD ongoing HR (UoN), CPS-K (KASNEB), CHRP-K (HRMPEB). Master of Business Administration (MBA) Specializing in Human Resource from Bangalore University, India and Bachelor of Education (Arts) from Kenyatta University.</p> <p>Salah is a Certified Public Secretary (CS) and a member of Institute of Certified Secretaries, a certified Human Resource Professional (CHRP) and a practicing member of Institute of Human Resource Management (IHRM). He is also a certified Human Resource Auditor from the Academy of Certified Human Resource Professionals (ACHRP). He has over 12 years of experience both in academia and Management.</p>	<p>Ag. Registrar Administration and Planning</p>

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 <p>CPA Aden Musa Mohamud</p>	<p>PhD ongoing Finance Dedan Kimathi University of Technology (DeKUT), (CPA K) (KASNEB), Master of Business Administration (MBA) Finance Option Moi University and Bachelor degree arts from Moi University.</p> <p>Aden is a Certified Public Accountant (CPA K) and a Member of institute of Certified Public Accountants of Kenya (ICPAK) and also a practicing member of Institute of Internal Auditors (IIA). Professional Accountant with over 8 years' experience in auditing and assurance, Accounting and Finance in both Public and Private Sector.</p>	<p>Head of Finance</p>
 <p>Dr. Noor Mohamed Abdinoor</p>	<p>PhD International Islamic University Malaysia (IIUM)</p> <p>Master of Education (Guidance & Counselling) International Islamic University Malaysia (IIUM)</p> <p>Bachelor Degree in Islamic Law (Sharia) Islamic University Medina – Saudi Arabia</p> <p>Institute of Arabic language in Medina University – Arabic language</p> <p>Over 10 years of experience in the field of counselling. Well versed in theology and Islamic religion</p>	<p>Assistant Dean of Students</p>
 <p>CPSP Hussein Y. Noor</p>	<p>Master of Science in Procurement and Logistics (MSc PL) From Jomo Kenyatta University of Agriculture and Technology. Bachelor of Business Management Specializing in Procurement and Supplies Management from Mount Kenya University. Diploma In purchasing and Supplies Management from the University of Nairobi.</p> <p>Hussein Y. Noor is a Certified procurement supplies Professionals of Kenya (CPSP-K) Member of the Kenya Institute of Supplies Management (MKISM).</p> <p>He has over 9 years of experience practicing Supply Chain Management</p>	<p>Head of Procurement</p>

 <p>Mr. Dekow Mohamed Diis</p>	<p>Master of Business Administration (MBA) Strategic Management option, Garissa University Bachelor of Business Management Mount Kenya University Diploma in Public Relation Kenyatta University</p> <p>Certified Security Management professional (CSMP), candidate at International Security Management Institute (UK)</p> <p>18 years working experience in security management both in National Security Agencies and state corporations.</p>	<p>Chief Security Officer</p>
 <p>Ms. Balqesa Ibrahim</p>	<p>Advocate of the High Court of Kenya PGDip Kenya School of Law (ATP) LLB Africa Nazarene University</p> <p>Has experience in the legal field for over 7 years.</p>	<p>Legal Officer</p>

4. Chairman's Statement

It is a great honour and privilege to present the Annual Financial Report & Statements for the FY 2022/2023 as the Chairperson of the Council of Garissa University, a premier institution dedicated to fostering academic excellence, innovation, and societal advancement. Our University's commitment to its functions as a center of higher learning is resolute, and I am grateful to share the strategic various endeavours we have undertaken.

In the realm of operational and financial performance, I am proud to announce that Garissa University has exhibited exceptional resilience and resourcefulness. Our institution has been the beneficiary of Kshs.469,085,074 in exchequer grants, supplemented by Kshs.141,642,769 in internally generated income from tuition and related charges, and an additional Kshs.16,016,710 as sundry income. It is heartening to note that our collaborative research initiatives are gaining momentum, with positive prospects for securing research funding that aligns with the Commission for University Education's expectations.

The spirit of collaboration also extends to development partners who have generously supported our efforts in infrastructure enhancement and curriculum development, particularly within the Institute for Peace and Security Studies. The strides we have made in this regard are indicative of our commitment to holistic growth.

However, we do not shy away from acknowledging the challenges that lie ahead. The evolving landscape of university management in Kenya poses both opportunities and obstacles. The prudent stewardship of resources is imperative, especially given the reduction in government allocations vis-à-vis our growing financial needs. In light of this, our institution's financial liquidity faces heightened exposure, given our reliance on tuition and accommodation fees.

In response to these challenges, the University's management has initiated a dedicated resource mobilization committee, resolute in achieving our revenue targets and sustaining our commitment to excellence. The engagement of adjunct faculty and the elevation of academic staff through career progression avenues remain cornerstones of our strategy to attract and retain skilled educators.

We also recognize the strategic risk of reduction of GSSP students facilitated during placement by KUCCPS. To overcome this challenge, we have cultivated unique and competitive courses that leverage our strengths and resonate with the aspirations of prospective students.

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Our resolve to address infrastructural limitations is unwavering, as we acknowledge the pressing need to provide state-of-the-art facilities to accommodate the burgeoning student population. Additionally, ensuring the seamless operation of our information technology systems through continuous upgrading and updating remains paramount.

As we confront these challenges, we must also underscore our unwavering commitment to financial probity and governance excellence. Our adherence to ethical standards and transparent financial practices is unassailable, and I am proud to report that there have been no serious governance issues during the reporting period.

In conclusion, the path ahead is not without its hurdles, but we stand united in our determination to overcome them. Garissa University's legacy of shaping tomorrow's leaders, innovators, and change agents remains our guiding star. Together, with tenacity and innovation, we shall navigate the currents of change and emerge stronger and more resolute in our mission.

Thank you.



Dr. Margaret Mumbi Gikui
Chair of Council

5. Report of the vice chancellor

As the Vice Chancellor of Garissa University, I'm honoured to present this statement as part of our Annual Financial report for the FY 2022/2023. Our achievements in operations and capital development reflect our dedication to excellence and our proactive approach to challenges.

Our university's core values include academic excellence, vibrant research, and active community engagement. The numbers in our financial report highlight our collective efforts. We received Kshs.469,085,074 in grants and earned Kshs.141,642,769 from tuition fees, along with Kshs.16,016,710 from other sources. These figures demonstrate the hard work of our students/parents/guardians and the forward-looking decisions made by our Council, Senate and Management Board.

We deeply appreciate the valuable support provided by the government, which has significantly contributed to our successes. This support has been instrumental in advancing our initiatives and driving our growth. While acknowledging this support, we also recognize the need for additional funding to further bolster our progress. To ensure our university's growth, we must seek financial support from diverse sources. Our major projects, like the library and tuition block, require extra funding to be completed promptly. Given the projected increase in student numbers, these facilities are crucial for creating conducive learning environments. Therefore, we are actively seeking additional funds to complement the government's contribution and expedite the completion of these projects.

As we endeavour to secure additional funding, we are in the process of developing a range of strategies. We are actively working on establishing partnerships, seeking research grants, investigating philanthropic opportunities, and engaging with the corporate sector. Our objective is to enhance our financial base, ultimately enabling us to offer exceptional education and make meaningful contributions to our community.

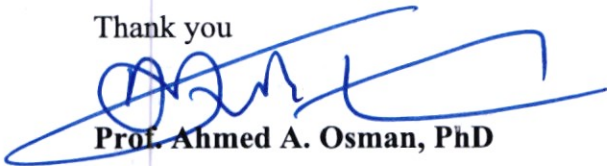
Furthermore, we have ambitious plans to accelerate our university's progress towards achieving our goals. We are introducing niche programs in drylands agriculture, nursing, and Geographic Information Systems (GIS) technology. These programs are carefully crafted to meet emerging needs in our region and beyond, enhancing our reputation as a centre of excellence.

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In closing, Garissa University is dedicated to academic excellence, vibrant research, and community outreach. The financial data we have shared underscores our collective commitment. We extend our heartfelt gratitude to the government for its significant support, which has been instrumental in our achievements. Simultaneously, we remain committed to diversifying our funding sources to achieve our goals more efficiently.

I extend my gratitude to everyone for their dedication and support as we continue to advance Garissa University together.

Thank you



Prof. Ahmed A. Osman, PhD

AG. VICE CHANCELLOR

6. Statement of Performance against Predetermined Objectives for FY 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.

The University has seven strategic pillars/key result areas within its Strategic Plan for the FY 2018/2019- 2022/2023 and are aligned to annual performance contract. Assessment of the University's performance against its annual work plan is done on a quarterly basis. GaU performance against its targets set for the FY 2021/2022 period for its key strategic pillars, as indicated in the diagram below.

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Policy and Corporate Governance	To improve policy and corporate governance for enhancing accountability and decision making	<ul style="list-style-type: none"> ✓ Approved policies ✓ Ongoing ISO Certification process ✓ Annual Work Plan Developed ✓ Workshops on awareness held ✓ Reports on Staff performance appraisal ✓ Workshops held on AGPO for Youth, Women and Persons with disability ✓ 	<ul style="list-style-type: none"> ✓ Carry out documentation training in accordance with the ISO 9001:2015 standards ✓ Develop policies to support implementation of the Strategic plan (SP) ✓ Carry out one AGPO workshop to sensitize Youth, Women and Persons with disabilities on Government procurement opportunities available to them 	<ul style="list-style-type: none"> ✓ Development and approval of Collaboration policy ✓ Staff were trained on ISO 9001:2015 documentation and general sensitization of the requirements of the standards. ✓ Developed an Annual Work plan to guide in the implementation of the SP ✓ One workshop held to sensitize staff on anti-corruption
Pillar 2: Resource Mobilization and Management of Financial resources	Attracting at least 2 donor funded projects per department per year	<ul style="list-style-type: none"> ✓ Donor Funded Projects increased ✓ A-in- A increased 	<ul style="list-style-type: none"> ✓ Attracting at least 2 donor funded projects per department per year. ✓ Increasing income from IGAs by 20% per year. 	<ul style="list-style-type: none"> ✓ Collaborated with five institutions ✓ Submitted funding proposals to four potential partners ✓ Attained AIA target in the FY
Pillar 3: Quality Undergraduate and Graduate	To enhance access, equity, quality, relevance	Academic Programs Developed relevant to the society needs	<ul style="list-style-type: none"> ✓ Develop (2) new programmers per year and review existing programs at the end of the academic cycle 	<ul style="list-style-type: none"> ✓ Six curricula developed an approved by senate and submitted to CUE

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Education	and equality in undergraduate and graduate education		<ul style="list-style-type: none"> ✓ Managing and maintain academic quality system as per ISO 9001:2015 standards and national academic quality regulatory bodies requirements ✓ Establishing linkages with other international universities. 	<ul style="list-style-type: none"> ✓ Documented departmental procedures for ISO 2009:2015 and validation done by KEBs ✓ Signed MoU with three partners
Pillar 4: Management of Human Resources.	<ul style="list-style-type: none"> ✓ To attract, develop, motivate and retain efficient staff of the highest integrity and make GaU an employer of choice. 	<ul style="list-style-type: none"> ✓ Additional Staff Recruited ✓ Staff appraised to gauge productivity ✓ Management staff trained ✓ No. of staff leadership trainings & Compliance ✓ Increase in productivity and effectiveness. 	<ul style="list-style-type: none"> ✓ Undertake staff performance appraisal based on the negotiated and agreed performance targets. ✓ To capture, organize and process data and information on staff recruitment, career progression, training data, absenteeism figures, and competency profiles and staff satisfaction ✓ Instill integrity in the workforce. ✓ Provision of high quality & accessible medical care. 	<ul style="list-style-type: none"> ✓ All staff appraised by 30th June 2023 and reports are being analyzed ✓ Recruited 6 new academic staff ✓ Negotiated with NHIF for staff medical cover renewal to commence in the FY 2022/2023 ✓ Developed and approved HR Procedure Manual ✓ Staff sensitized on the HR Manual and Procedure Policy and integrity in service ✓ Online Data base of staff biodata in place
Pillar 5: Infrastructure (facilities and space management)	To provide adequate space, facilities and services and managing them effectively and responsibly for the	<ul style="list-style-type: none"> ✓ Ongoing Development/const ruction projects completed ✓ Forest cover increased ✓ Rehabilitated and renovated facilities 	<ul style="list-style-type: none"> ✓ Upgrade and expand the existing facilities to provide secure working environment. ✓ To renovate, repair and maintain the existing facilities. ✓ Champion sustainable environmental conservation and protection. 	<ul style="list-style-type: none"> ✓ Student Hostel project 99% complete ✓ Completed the renovation of the theatre hall and two classes ✓ Received approval of three construction projects proposed for the FY

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	benefit of stakeholders		✓ Develop bills of quantities for new proposed development projects	2022/2023
Pillar 6; Information Communication Technology	To institutionalize appropriate internal and external ICT network and connectivity	<ul style="list-style-type: none"> ✓ ICT network reliability ✓ Secure network and university data. ✓ 20% learning undertaken through the website 	<ul style="list-style-type: none"> ✓ Continually update the website system based on emerging technologies ✓ Utilize the website for publicity & emerging technology ✓ Institutionalize ICT 	<ul style="list-style-type: none"> ✓ Website up to date ✓ 70% of key operations undertaken and approved through ERP ✓ Operational efficiency achieved ✓ ICT network reliability enhanced
Pillar 7: Community Collaboration and Corporate Social Responsibility	To improve university community collaboration and contributing effectively to socio economic development through active participation in CSR activities.	<ul style="list-style-type: none"> ✓ No. of students on attachments per year ✓ Commitment in the performance 	<ul style="list-style-type: none"> ✓ Provide students attachments with the community ✓ Collaborate with high schools to offer mentorship programmes ✓ Participate in CSR activities 	<ul style="list-style-type: none"> ✓ Over 80% of students at the University are attached to institutions within Garissa County ✓ Numerous collaborations with various schools across Garissa to offer mentorship sessions for the students ✓ Donated food items to Mama Hanni Childrens Home

7. Corporate Governance Statement

Garissa University's corporate objective is to create long-term value in academic and research through creation, conservation and dissemination of knowledge. This will be done by nurturing of talent through research, innovation, consultancy, community outreach, entrepreneurship, imparting knowledge and skills to meet the needs of society as prescribed in the mission statement and through the provision of innovative customer and market-focused academic programmes.

In line with PFM Act of 2012, Sec. 68, Garissa University accounting officer is accountable to the National Assembly for ensuring that the public resources are used in a way that is; lawful and authorised; and effective, efficient, economical and transparent.

Corporate Governance Principles

In pursuit of the corporate objective, we have committed to the highest level of governance and strive to foster a culture that values and rewards exemplary academic excellence within clear ethical standards and corporate integrity with respect for others. The University Council's governance role, basis and conduct of business are guided by the University Act no. 42 of 2012; Mwongozo code 2015; Commission for University Education regulations and standards 2014 and Garissa University charter and statutes 2017. As per the Universities Act 2012, the Council is expected to Employ staff, approve statutes of the University and cause them to be published in Kenya Gazette, approve policies of the university and the budget; Appoint the Vice Chancellor, Deputy Vice Chancellor and Principals of Constituent Colleges through a competitive process and undertake other functions set out under the Universities Act, the Statutes and the Charter of the University.

In our view, the Governance responsibility is not only a matter for the Council; good governance culture must be permeated through the entire University system. The current social-economic business and political environment that the University operates in underscores the need for continued high standards of corporate governance and accountability. The emerging realities unmasked by the implementation of the constitution and enlarged space for more enlightened clientele calls for diligence in governance. The Governance of the University has to be sound in order to deal with any of the unpredictability of today's world.

Appointment of Council

The initial 3 – year contract term for five (5) members of Council lapsed on 26th January, 2021. The Council had since been composed of four (4) members inclusive of the CEO/Secretary. On 15th August, 2022 four (4) new members of Council were appointed and gazzeted including the substantive Chairperson, bringing the total number of members to nine (9) inclusive of the CEO/Secretary. The term for Ms. Amina Masoud lapsed on 30th November, 2022 leaving eight (8) members serving for the remainder of the year including the CEO/Secretary. The members possess extensive experience in various disciplines all which are applicable in the overall governance of the University.

Size and composition of Council

The current University Council consists of members to eight (8) inclusive of the CEO/Secretary and is in line with the Mwongozo guidelines (*the Board should consist of seven (7) to nine (9) members*). The current Council composition has the right balance of skills and experience appropriate for the University where they all participate in decision making.

Induction and Evaluation

The new Council was inducted on 24th to 28th October, 2022 at the Kenya School of Government in Mombasa. The former member of Council participated in the Council evaluation exercise carried out by SCAC online on 28th September, 2022. The next board evaluation has been slated for September 2023. The Council is committed to improving its performance and that will be evidenced in the next Council evaluation exercise.

Council Meetings

The University Council meets at least quarterly in accordance with the Mwongozo Code of Conduct unless urgent matters call for special meeting. The main aim of the regular Council meetings is to consider reports from the committees of Council for final resolutions. Members receive adequate notice and board papers in advance to enable them review and prepare for the meeting. In all the meetings, the agenda includes item on declaration of conflict of interest and any conflict of interest declared is recorded in the Conflict-of-Interest book and minutes.

During the FY 2022/2023, the University Council had eight (6) Regular, (9) Committee meetings, four (4) special Council meetings and (1) special Finance, Development & General Purpose (FDGP) committee meeting. Individual attendance is as tabulated below.

Table 1: The Committee members and number of meetings held during the year are tabulated below:

S.N O	NAME	REGULAR MEETINGS	SPECIAL MEETINGS	MISSED MEETINGS	TOTAL
1.	Mr. Hassan Duale	5	4	1	9
2.	Mrs. Amina R. Masoud	3	3	-	6
3.	Mr. Boniface K. Ngigi	5	4	1	9
4.	Prof. Ahmed O. Warfa	6	4	0	10
5.	Dr. Margaret M Gikuhi	2	3	2	5
6.	Ms. Mary Jacinta Anyango	3	3	1	6
7.	Mr. Brian K. Gikunda	4	3	0	7
8.	Mr. Hassan Sheikh	3	3	1	6
9.	Dr. Billow Khalid	4	3	0	7

NB: The Special meetings constituted on the (1) induction meetings and (1) orientation meeting. Ms. Amina's term expired on 30th November, 2022 and therefore she did not miss any meetings.

Council Committees

The University Council established four (4) standing committees that assist to discharge its functions. These committees are:

Audit, Risk and Compliance Committee (ARCC)

Garissa University Council aspires to use the public resources at its disposal in an efficient and accountable manner. In line with the The Kenya Gazette No. 2690 of 15th April, 2016, and PFM Act Sec. 73, an audit committee was established to provide independent advice and assurance of the University's strategy, performance and compliance to different statutes.

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In compliance with PFM Regulations, 2015, the committee members have the relevant qualifications and expertise in audit, finance and risk management in public service. At least there is a representative from Treasury and a member of a professional body with good standing. The committee has a charter that describes its oversight mandate.

The ARCC plays a key role with respect to the integrity of the entity's financial information, its system of governance, risk and internal controls, and the legal and ethical conduct of management and employees. The committee is required to review and report to the Council on the comprehensiveness, reliability and integrity of internal controls measures; quality assurance and standards required providing effective monitoring of processes, management of risk, recommend to the Council policies in respect to management and control systems on internal business processes including accounting policies, anti-fraud and whistle blowing consider an approved annual audit plan and advice the University Council on matters relating to the security of the University, staff and students and review and advice Council on all matters relating to the risk management framework and internal audit functions of the University.

Table 2: The ARCC Committee members and number of meetings held during the year are tabulated below:

S.NO	NAME	ATTENDED MEETINGS	MISSED MEETINGS	TOTAL
1.	Mr. Hassan Duale	3	0	4
2.	Mrs. Amina R. Masoud	1	-	1
3.	Mr. Boniface K. Ngigi	4	0	4
4.	Mr. Brian K. Gikunda	4	0	4

Finance, Development and General Purpose (FDGP) Committee

The committee critically scrutinizes the budget and other financial requirements before they are presented to the full Council. It oversees the University's financial affairs on behalf of the Council; develops strategies to guide the growth of the University and monitors its implementations; Reviewing the University's financial strategy for approval by the Council; Dealing with strategic issues concerning financial risk management and advising the Council appropriately; Reviewing the University's annual financial statements and reporting to the Council; Receiving and considering annual external audit reports submitted by External Auditors and, making recommendations to the Council; Reviewing the University's financial regulations from time to time and recommending any necessary changes in those regulations to the Council.

Table 3: The FDGP Committee members and number of meetings held during the year are tabulated below:

S.NO	NAME	ATTENDED MEETINGS	MISSED MEETINGS	TOTAL
1.	Mr. Hassan Duale	4	1	3
2.	Mr. Boniface K. Ngigi	4	0	4
3.	Dr. Billow Khalid	4	1	3
4.	Ms. Jacinta Anyango	4	1	3
5.	Prof. Ahmed O. Warfa	4	0	4

Academic, Research, Students Affairs & Community Outreach (ARSA & CO) Committee

The committee advises on the development and implementation of academic and research programmes and policies; make recommendations for the sourcing, administration and distribution of scholarships; oversee a reward scheme for excellence in teaching, research and extension; receive regular reports from and provide advice to the Deputy Vice Chancellor Academic and Student Affairs on the development of policy and procedures relating to academic and research and consider and report any matter referred to it by the Council and the Senate. The committee also advises the university on its Community Outreach mandate.

Table 4: The ARSA & CO Committee members and number of meetings held during the year are tabulated below:

S.NO	NAME	ATTENDED MEETINGS	MISSED MEETINGS	TOTAL
1.	Mr. Hassan Duale	3	1	3
2.	Ms. Jacinta Anyango	3	1	3
3.	Mr. Hassan Sheikh	4	0	4
4.	Prof. Ahmed O. Warfa	4	0	4

Governance, Human Resource & Staff Welfare (GHRSW) Committee

The Committee oversees the formulation and subsequent monitoring and review of policies and strategies on employment of all University staff, including policies on recruitment and selection of, staff development and training, performance management schemes and salaries and other conditions of service; Monitoring key performance indicators as agreed by the Council; Receiving and considering proposals on strategy and policy in all matters relating to the recruitment, reward, retention, motivation and development of the University's staff, and making recommendations to the University Council; Receiving reports from the Management Board relating to promotion, re-grading, the award of additional salary increments and contribution payments to salaried staff; Receiving and considering reports from the Management Board concerning the terms and conditions of service of employees of the University, and making recommendations to the University Council.

Table 5: The Committee members and number of meetings held during the year are tabulated below:

S.NO	NAME	ATTENDED MEETINGS	MISSED MEETINGS	TOTAL
1.	Dr. Billow Khalid	4	0	4
2.	Mrs. Amina R. Masoud	1	-	1
3.	Mr. Boniface K. Ngigi	3	1	3
4.	Mr. Brian K. Gikunda	4	0	4
5.	Prof. Ahmed O. Warfa	4	0	4

During the FY 2022/2023 Council approved among other things the budget, Performance contract reports, Graduation lists, Staff Establishment and procurement plan as well as the respective quarterly financial statements that were submitted to National Treasury on time.

The Council acknowledges the need for strategic partnerships and encourages the participation of the private sectors in our financial matrix. The pressing needs for more financing and the clear needs

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for transparency makes engagement with and reporting to the government and other stakeholders more important. The increasing requirement for prudent financial management has heightened the level of interest in the university's approach to risk management and assurance.

The Council governs the University consistent with the stated business strategy indicated in the University's values of equity, team work, meritocracy, accountability, academic freedom and excellence, and probity all contributing to the commitment to transparency and high-quality governance system.

Garissa University incurred a total expenditure of **Kshs. 8,664,535** in facilitating the council to attend meetings.

Table 6: The Council Gross Expenditure:

S/No	Name		QT1	QT2	QT3	QT4	Totals
1	Dr Margaret Gikuhi	Chair	-	-	186,000	878,714	1,064,714
2	Mr. Hassan Dualle	Rep PS MOE	433,138	436,433	335,600	271,000	1,476,171
3	Mr. Boniface Ngigi	Rep PS Treasury	354,200	436,433	335,600	40,000	1,166,233
4	Mr. Brian K Gikunda	Member	84,450	381,433	335,600	413,400	1,214,883
5	Dr Billow Khalid	Member	122,650	381,433	335,600	296,000	1,135,683
6	Mr. Hassan S Mohamed	Member	91,400	381,433	-	251,000	723,833
7	Mrs. Mary Jacinta Anyango	Member	56,400	381,433	394,100	396,000	1,227,933
8	Mrs. Amina R Masoud	Member	363,650	381,433	-	-	745,083
			1,505,888	2,780,031	1,922,500	2,546,114	8,754,533

8. Management Discussion and Analysis

Section A: The University's operational and financial performance

The University received exchequer grants amounting to **Kshs 469,085,074** in addition, it collected **Kshs 129,799,864** internally generated Income (A-I-A) from tuition and related charges and received **Kshs 19,676,791** as sundry income. The University received development capitation of **Kshs. 52,500 000** this year towards the building of tuition block and Library block. Several collaborative research proposals have been developed to positively boost research funding and meet the yearly requirement as expected by the Commission for University Education (CUE). Towards this end, GaU has successfully engaged SDC and obtained some funding for infrastructure renovations and curriculum development in support of the Institute for Peace and Security Studies (IPSS). TIKA supported the University in the installation of solar panels that has greatly reduced the University's electricity cost.

The University major expenditures include employee costs at **Kshs 411,358,764**, board expenses at **Kshs. 14,493,204**, repairs and maintenance at **Kshs. 2,654,019** and use of goods and services at **Kshs. 186,982,714.60**.

Section B: University's compliance with statutory requirements

During the period under review, the University complied with its statutory obligations including compliance with Public Procurement Regulations, remittance of PAYE, NHIF, NSSF, NITA and HELB within the stipulated deadlines.

Section C: Key projects and investment decisions the University is implementing

I. Ultra -Modern Library complex housing the school of Information sciences

The government through Ministry of Education and National Treasury approved the proposal to construct an ultra-modern library to support teaching and learning activities in the university at a total cost of **Kshs. 1.5B**. The project will be implemented in phases, and funded over a period of five years. The project was allocated **Kshs. 50 million** in the 2022/2023 FY to construct Library Block Phase 1, which costs **Kshs. 207,074,480.63**. The allocated amount was further rationalized downwards to **Kshs. 19,715,324.00** during the revision of the budget by the national government. The project is ongoing and is estimated to be 13% complete as at the end the period.

II. Tuition Block with an Auditorium

The government approved the proposal to construct a tuition block to support teaching and learning activities in the university. The total contract cost of the project is **Kshs. 372,058,699.00**. The project will be implemented in three financial years (phases). The project was allocated **Kshs. 133,000,000** in the 2022/2023 FY with the balance to be funded in the subsequent financial years. However, the amount was further rationalized downwards to **Kshs. 52,442,762** in the course of the financial year during budget revision by the National government. The project is ongoing and is estimated to be 7% complete as at the end the period.

III. The Water Storage and Reticulation System Project

This involves installation of a reinforced steel water tanks with a total water storage capacity is **219m³ 144,000-litre** Low-level water tank and a **75,000-litre** high-level water tanks at the Garissa University facility to provide a reliable supply of water to both staff and students. This will help in storage of borehole water, and that, which is supplied by Garissa Water & Sanitation Company (GAWSCO), and reticulation around the University for use. The government allocated **Kshs. 27,000,000** in the 2022/2023 FY for implementation of the project. The contract sum of the project is **Kshs. 26,902,778.74**.

The GOK initially allocated **Kshs. 16,353,725** but was later reduced to **Kshs. 10,646, 275** during national government budget revision in the course of the FY. The project is ongoing with a contract period of 26 weeks and is physically estimated to be 25% complete as at the end of the reporting period.

IV. Modern Student Hostel & Administration Block

The works comprise generally of four storied reinforced concrete framed structure, substructure works, masonry walling, iron mongery, door and window fittings, floor and wall finishes, roof structure and covering. The works shall also include associated civil works. The government have allocated a total sum of **Kshs. 450,000,000.00** towards completion of this project. The amount allocated in the 2022/2023 FY is **Kshs. 150,000,000.00** for starting the project. The procurement process is complete, but the works is yet to start as the contractor is mobilizing the resources and materials.

Section D: Major Risks Facing the University

(i) Budgetary Provisions- The University financial needs has increased however the allocation of resource from the government was not sufficient to meet the growing need of the university operations, hence increasing the liquidity risk exposure, compound by this, is the fact that the university has low stream of internally generated revenue that is, it only relies on tuition and accommodation charges from students.

Mitigation measure

The University management has put in place resource mobilization committee that will be committed and dedicated to ensure that revenue targets for the University are achieved.

(ii) Strategic risk –The University faces strategic risk because of its failure to attract students. This is due to several factors among them-shared students facilitated by KUCCPS during the placement of students to universities, programs offered since most of the clients ask for medical, Agricultural and engineering courses.

Mitigation measure: The University developed unique and competitive courses and programmes that will attract more students. This includes Dry Land Environment and Natural Resources and Peace and Security Studies.

Other risks

(iii) Inadequate infrastructure to support increasing number of students.

(iv) Inability to recruit and retain senior teaching staff due to low funding.

Mitigation measure: Enable to implement adjunct policy approved by the council.

(v) Downtime of information technology systems including ERP, server, networks, etc.

Mitigation measure: Continuous upgrading and updating of the systems.

Section E: Material arrears in statutory/financial obligations

During the period under review, we had no outstanding statutory. However, as at the reporting period, pending bills to suppliers and service providers amounted to **Kshs 92,504,516**

Section F: The University's financial probity and serious governance issues

In the FY 2022-2023, Garissa University strictly adhered to the code of ethics especially being honest in all financial matters including those relating to research and its funding. Further, there has been no serious governance issue.

9. Environmental and Sustainability Reporting

One of the key mandates of GaU is to develop an institution of excellence in community service through provision of sustainable educational, cultural, professional, technical and vocational services to the community and, in particular, the fostering of corporate social responsibility. This is further defined in our current strategic plan through the key result area on Community Collaboration and Corporate Social Responsibility.

Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile

GaU recognizes the importance of sustainable development and has established a clear and long-term road map it requires to tackle impacts at a local and global level as outlined in its Strategic Plan. The University is focused on infrastructural and key policy and programmes to enable it to keep up with the competition and emerging trends. The University is implementing various key projects including the proposed tuition block that houses the school of information science, the proposed library block phase I, the water storage and reticulation project, the proposed administration block. The major challenge has been insufficient of funding. Curricula developed during the period under review are cognisant of the local and international best practices as well as emerging trends.

2. Environmental performance

The University is in the process of implementing a comprehensive proposal to utilize waste water in the creation of nature parks both within the University and Garissa County in support of conservation and waste water management. In addition, the University has developed a framework to ensure 10% forest cover within the University by 2024 and implement the government directive to plant trees across the country. The greatest challenge to the University in its conservation efforts has been the lack of adequate water. However, we have proposals to desalinate the borehole water and utilize solar technology to pump water to aid in these efforts. The University also has a long-term plan to shift to 100% use of solar power. There is also the plan to get water from River Tana directly.

i) Employee welfare

The university is guided by the Human Resource Policies and procedures Manual to manage its Human capital. The institution organizes for training internally and externally to capacity build, re-tool and train staff to fit purpose and respond to ever growing national and international needs. Additionally, the university provides comprehensive medical cover for its staff and is OSHA and WIBA acts of 2007 compliant. The following are the major highlights.

- ✓ The organization makes arrangements for ensuring safety and the absence of risks to health. This is in connection with the use, handling, storage and transport of articles and substances.
- ✓ Provide information, instruction, training and supervision as is necessary to ensure the safety and health at work of every person employed.
- ✓ Maintain the workplace in a condition that is safe and without risks to health. In addition, provide and maintain necessary means of access to and outlet from it that are safe and without risks to health.
- ✓ Provide and maintain a working environment for every person employed that is safe, without risks to health.
- ✓ Inform all employees of any risks from new technologies and imminent danger.

3. Market place practices-

a) Responsible competition practice.

In the FY 2022/23, GaU developed comprehensive risk assessment and Mitigation plans in every department in order to identify and curb incidences of corruption. It has also adopted a zero tolerance to corruption policy by ensuring all its engagements are above board and in line with the regulations from the relevant authorities. The University also encourages fair competition and responsible political involvement among the students by encouraging and ensuring strict adherence to the Student Council Constitution and the amended University Act 2015 during students' elections.

- b) Responsible Supply chain and supplier relations-** GaU upholds fair procurement practises that are strictly in line with the Public Disposal and Procurement Act. In the FY 202/2023, the University was also able to reduce its pending bills (mostly

through payment of suppliers) from 29.7% in FY2018/2019 to 13.8% in the FY 2022/23.

- c) **Responsible marketing and advertisement-** All Adverts and marketing messages placed in the university website during the period under review upheld the principle of fairness and equity by including clauses encouraging persons with disabilities Youth and Women to apply for the positions/participate as well as incorporating other directives from relevant authorities from time to time.

- d) **Product stewardship-** Through the directorate of Quality assurance, the University developed the Academic Quality Assurance Policy that content delivery is in line with the regulations by the Commission for University Education and other relevant authorities. Our service charter revised during the period under review is also aimed at safeguarding our clients' rights and interests.

10. Report of the Directors

The University Council submits their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the Garissa University's affairs.

i) Principal activities

The principal activity of the Garissa University is to nurture talent through research, innovation, consultancy, community outreach, entrepreneurship, imparting knowledge and skills to meet the needs of the society.

ii) Results

The results of the University for the year ended June 30, 2023, are set out on page 1

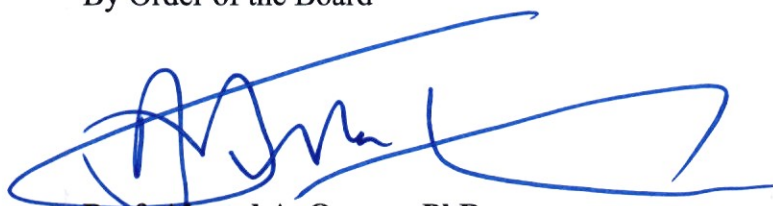
iii) Council Members

The members of the University Council who served during the year are shown on pages viii to xi

iv) Auditors

The Auditor-General is responsible for the statutory audit of the Garissa University in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board



Prof. Ahmed A. Osman, PhD

AG. VICE CHANCELLOR

Date: 30/6/2023

11. Statement of Directors Responsibilities

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

The University Council is responsible for the preparation and presentation of the University's financial statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year period ended on June 30, 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 University Council accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and University's Act Section 47 (1) to (3). The University Council are of the opinion that the University's financial statements give a true and fair view of the state of the University's transactions during the financial year ended June 30, 2023, and of the University's financial position as at that date. The University 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 Members to indicate that Garissa 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 University Council on.....
and signed on its behalf by:



Dr. Margaret Mumbi Gikuhi
PhD
Chair of Council



Prof. Ahmed A. Osman,
Ag. Vice-Chancellor

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON GARISSA UNIVERSITY 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 Garissa University set out on pages 1 to 47, which comprise 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 ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respect, the financial position of Garissa University 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 University Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Refundable Deposits

The statement of financial position reflects refundable deposits from customers balance of Kshs.15,022,411, which includes unpaid retention of Kshs.10,649,411 and caution money of Kshs.4,373,000 as disclosed in Note 22 to the financial statements. Review of KCB bank Deposits Account revealed that the bank balance as at 30 June, 2023 was Kshs.9,076, leading to unexplained variance of Kshs.15,013,335.

In the circumstances, the accuracy and completeness of the refundable deposits from customers balance of Kshs.15,022,411 as at 30 June, 2023 could not be confirmed.

2. Unsupported Trade and other Receivables Balance

The statement of financial position as disclosed in Note 17 to the financial statements reflects receivables from exchange transactions balance of Kshs.17,877,747 in respect to student receivables (outstanding fees). However, review of the billing statement revealed an outstanding student fee balance of Kshs.14,243,315, leading to unexplained variance of Kshs.3,634,432. It was also noted that the ageing analysis was not done to determine which debts are recoverable, doubtful and which ones to be written off. In addition, there was no evidence of any action taken by the Management to recover the receivables apart from issuance of the periodic fee reminder circulars.

In the circumstances, the accuracy and recoverability of the outstanding fees balance of Kshs.17,877,747 as at 30 June, 2023.

3. Lack of Motor Vehicle Ownership Document

The statement of financial position reflects property, plant & equipment balance of Kshs.1,517,591,349 as at 30 June, 2023. Included in the balance is one motor vehicle procured at a cost of Kshs.5,840,000 during the year under review. However, the Management did not provide the original logbook for the motor vehicle.

In the circumstances, the ownership and security for the motor vehicle purchased as a cost of Kshs.5,840,000 could not be confirmed.

4. Failure to Disclose Material Uncertainty in Relation to Sustainability of Services

The statements of financial position reflects current liabilities balance of Kshs.84,388,243 as at 30 June, 2023, which exceeded the total current assets of Kshs.43,584,801, resulting in a negative working capital of Kshs.40,803,442. This is an indication that the University may not be able to settle its obligations as and when they fall due and the existence of material uncertainty, which may cast doubt on the University's ability to sustain its services and its existence is dependent on continued support from the Government and creditors.

However, this material uncertainty relating to the sustainability of services and measures taken to mitigate the undesirable financial position, have not been disclosed in the financial statements.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Garissa University Management in accordance with ISSAI 130 on the 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

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual amounts on comparable basis of Kshs.862,105,000 and Kshs.679,244,550 respectively, resulting to an un realized revenues of Kshs.182,860,450 or 21% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.862,105,000 and Kshs.684,708,386 respectively, resulting to under absorption of Kshs.177,396,614 or 21% of the budget. Further, it was observed that the employee cost had an approved budget of Kshs.408,547,000 against an actual expenditure of Kshs.411,358,764 resulting to an over-expenditure of Kshs.2,811,764 that was budgeted for.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

Various prior year audit issues remained unresolved as at 30 June, 2023. The Management did not provide a report on how it has addressed the recommendations and findings of the previous year's audit as required by Section 31(1) (a) of the Public Audit Act, 2015.

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. Lack of Substantive Vice Chancellor and Deputy Vice Chancellor

Garissa University has been operating without a substantive Vice Chancellor for a period of six (6) years despite being granted a Charter on 23 October, 2017 to operate as a full-fledged University. It was noted that the Cabinet Secretary for Education has been granting the Acting Vice chancellor six (6) months renewable contracts. In addition, the positions for the Vice Chancellor (VC) and Deputy Vice Chancellors (DVCs) were advertised on 30 July, 2019 and interviews conducted on 3 December, 2019. However, the process of recruitment was halted because of Court orders and the case is still active in Court. This was in contravention to Section 35(1)(a) (v) of the University Act, 2012.

In the circumstances, the Cabinet Secretary was in breach of the law.

2. Failure to Appoint a Council Member

Review of the gazette notices appointing the council members by the Cabinet Secretary as per Section 36 (1) of the Universities Act No. 42 of 2012 revealed that one council member was appointed on 8 November, 2019 for a period of three (3) years. As a result, the appointment expired on 8 November, 2022 during the financial year under review. However, the Cabinet Secretary is yet to appoint a member to replace the retired member and hence, the Council was not properly constituted.

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

3. Irregular Payment of Acting Allowances

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects an amount of Kshs.411,358,764 under employee costs. Included in the balance is an amount of Kshs.2,441,347 paid as acting allowances to two (2) employees who have been acting as the Vice Chancellor and Deputy Vice Chancellor for more than three years contrary to part C.14(1) of the Public Service Human Resource Policies and Procedures, 2016 which requires acting allowances not to be paid for a period exceeding six (6) months.

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

4. Long Outstanding Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.69,365,832 which includes unpaid personal claims of Kshs.45,770,797. Verification of the payables as at 30 June, 2023 revealed that an

amount of Kshs.43,706,500 has been outstanding for over one-year contrary to Treasury Circular No. 10/2020 of 16 June, 2020 which requires outstanding bills to be settled as first charge in the subsequent financial year.

In the circumstance, accumulation of long outstanding pending bills may lead to litigation and interest charges.

5. Unapproved Fee Payment Mode

As previously reported, review of student fees statement and tuition fee collection bank statements revealed that the University had collected student fees through mobile money (M-Pesa) as a convenient revenue collection mode. However, the Management has not revised its Fee Policy of 2018 to approve and incorporate the mobile money mode of fee payment.

In the circumstances, the regularity of the mobile money as a mode of receiving revenue could not be confirmed.

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

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Weaknesses in Controls on Payroll Management

Review of the June, 2023 payroll revealed that fourteen (14) employees were being paid a net salary that is less than a third (1/3) of their basic pay during the year under review thus over committing their salary contrary to Part C.1.3 of the Public Service Human Resource Policies and Procedures Manual, 2016. In addition, the University had two (2) cases of four (4) employees with different payroll numbers but shared tax pin numbers and also two (2) cases of officers sharing Identity (ID) numbers.

In the circumstances, the effectiveness of the controls on payroll management could not be confirmed.

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 governance.

In preparing the financial statements, Management is responsible for assessing the University's ability to continue to sustain its 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 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 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the University's 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 Management.
- Conclude on the appropriateness of 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the University to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the University to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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


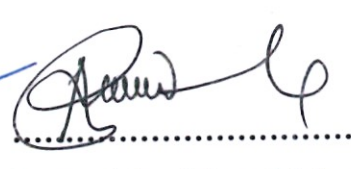
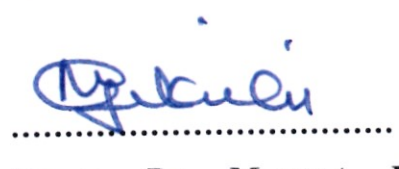
09 February, 2024

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13. Statement of Financial Performance for the year ended 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	469,085,070	418,296,000
Accrued Income-in-kind	7	607,336	0
		469,692,406	418,296,000
Revenue from exchange transactions			
Rendering of services	8	142,930,466	122,511,000
Rental revenue from facilities and equipment	9	3,646,890	5,150,000
Other income	10	16,016,710	38,229,000
		162,594,066	165,890,000
Total revenue		632,286,472	584,185,000
Expenses			
Use of goods and services	11	182,427,034	144,951,000
Employee costs	12	411,358,764	397,231,000
Board Expenses	13	14,316,088	7,649,000
Depreciation and amortization expense	14	50,662,889	34,047,000
Repairs and maintenance	15	2,654,019	550,000
Total expenses		661,418,794	584,428,000
Surplus/ (deficit) before tax		(29,132,322)	(243,000)

The notes set out on pages 8 to 45 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 7 were signed on behalf of the Board of Directors by:

		
Name: Ahmed Osman Warfa, Phd	Name: Aden Musa Mohamud	Name: Dr Magaret Mumbi Gikuhu
Ag. Vice Chancellor	Head of Finance	Chairman of University Council
Date 30/06/2023	ICPAK M/No:29826 Date 30/06/2023	Date 30/06/2023

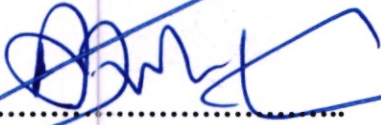
Garissa University
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15. Statement of Financial Position as at 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	16	25,707,054	27,524,000
Receivables from Exchange Transactions	17	17,877,747	18,266,000
Inventories	18	0	8,390,000
Total Current Assets		43,584,801	54,180,000
Non-Current Assets			
Property, Plant and Equipment	19	1,517,591,349	1,457,956,000
Intangible Assets	20	10,559,126	12,671,000
Total Non- Current Assets		1,528,150,475	1,470,627,000
Total Assets		1,571,735,276	1,524,447,000
Liabilities			
Current Liabilities			
Trade and Other Payables	21	69,365,832	45,065,000
Refundable Deposits from Customers	22	15,022,411	19,654,000
Total Current Liabilities		84,388,243	64,719,000
Non-Current Liabilities			
Deferred Income	23	4,251,355	0
Total Non- Current Liabilities		4,251,355	0
Total Liabilities		88,639,598	64,719,000
Net Assets			
Reserves		533,079,000	533,079,000
Accumulated Surplus		124,559,678	153,692,000
Capital Fund		825,457,000	772,957,000
Total Net Assets		1,483,095,678	1,459,728,000
Total Net Assets and Liabilities		1,571,735,276	1,524,447,000

**Garissa University
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The financial statements set out on pages 1 to 7 were signed on behalf of the Board of Directors by:

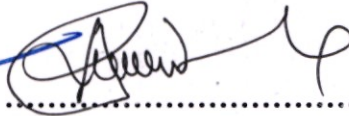


Name: Ahmed Osman Warfa, Phd

Ag. Vice Chancellor

Date

30/06/2023



Name: Aden Musa Mohamud

Head of Finance

ICPAK M/No:29826

Date

30/06/2023



Name: Dr Magaret Mumbi
Gikuhu

Chairman of University Council

Date

30/06/2023

16. Statement of Changes in Net Assets for the year ended 30 June 2023

Description	Capital/ Development Grants/Fund	Retained earnings	Revaluation Reserve	Total
	Kshs	Kshs.	Kshs	Kshs
As at July 1, 2021	703,455,000	115,999,000	533,079,000	1,352,533,000
Surplus/ deficit for the year	0	(243,000)	0	(243,000)
Transfers from Capital Reserves	22,650,000	0	0	22,650,000
Realized capital fund	0	33,636,000	0	33,636,000
Capital/development grants received during the year	18,415,000	0	0	18,415,000
Prior years adjustments	28,437,000	4,300,000	0	32,737,000
As at June 30, 2022	772,957,000	153,692,000	533,079,000	1,459,728,000
As at July 1, 2022	772,957,000	153,692,000	533,079,000	1,459,728,000
Surplus/ (deficit) for the year	0	(29,132,322)	0	(29,132,322)
Capital/development grants received during the year	52,500,000	0	0	52,500,000
As at June 30, 2023	825,457,000	124,559,678	533,079,000	1,483,095,678

17. Statement of Cash Flows for the year ended 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities		469,085,070	418,296,000
Tuition fees & Related Charges		141,642,769	104,245,000
Rental revenue from facilities and equipment		3,646,890	5,150,000
Other income		16,016,710	38,229,000
Total receipts		630,391,440	565,919,000
Payments			
Use of goods and services		147,832,838	133,775,000
Employee costs		411,358,764	398,760,000
Board Expenses		14,316,088	7,725,000
Repairs and maintenance		2,654,019	612,000
Total payments		576,161,709	540,873,000
Net cash flows from/(used in) operating activities	24	54,229,731	25,046,000
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(108,546,677)	(77,922,000)
(Decrease)/Increase in Refundable Deposits		0	4,951,000
Net cash flows from/(used in) investing activities		(108,546,677)	(72,971,000)
Cash flows from financing activities			
Capital Grants		52,500,000	0
Net cash flows from financing Activities		52,500,000	0
Net increase/(decrease) in cash & Cash equivalents		(1,816,946)	(47,924,000)
Cash and cash equivalents at 1 July	29	27,524,000	75,448,000
Cash and cash equivalents at 30 June	29	25,707,054	27,524,000

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from other governments entities-Development	215,111,000	22,804,000	237,915,000	52,500,000	185,415,000	22%
Transfers from other governments entities-Recurrent	469,085,000	0	469,085,000	469,085,070	-70	100%
Tuition fees & Related Charges	130,000,000	0	130,000,000	141,642,769	-11,642,769	109%
Rental revenue from facilities and equipment	12,080,000	201,000	12,281,000	11,748,776	532,224	96%
Development Partners	12,824,000	-	12,824,000	4,267,935	8,556,065	33%
Total Income	839,100,000	23,005,000	862,105,000	679,244,550	182,860,450	79%
Expenses						
Use of Goods and Services	174,627,000	(2,902,000)	171,725,000	147,832,838	23,892,162	86%
Employee costs	416,947,000	(8,400,000)	408,547,000	411,358,764	(2,811,764)	101%
Remuneration of Directors	13,295,000	1,822,000	15,117,000	14,316,088	800,912	95%
Repairs and Maintenance	19,120,000	9,681,000	28,801,000	2,654,019	26,146,981	9%
Capital Expenditure	215,111,000	22,804,000	237,915,000	108,546,677	129,368,323	46%
Total Expenditure	839,100,000	23,005,000	862,105,000	684,708,386	177,396,614	79%
Surplus for the period	0	0	0	(5,463,836)		0

Budget Notes

1. During the supplementary estimates No. II of the 2022-23 FY, the university experienced funding cuts for ongoing projects amounting to Kshs. 127,195,639. At the same time, a new project (administration block) was approved and funded to the tune of Kes. 150,000,000. The adjustment of Kshs. 22,804,361 represents the net change in development budget.
2. The low absorption rate under capital expenditure funding was a result of failure by the MoE to release developments on time.
3. The under absorption of 33% under development partners: The SDC decided to directly finance some of the activities under IPSS instead of channelling the funds through the university.
4. All the adjustments made under expenditure component of the budget were because of reallocations and was meant to release resources from areas not much needed and avail them to critical areas of operation.

19. Notes to the Financial Statements

1. General Information

Garissa University is established by and derives its authority and accountability from Universities Act of 2012. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The principal activity of Garissa University is to nurture talent through research, innovation, consultancy, community outreach, entrepreneurship, imparting knowledge and skills to meet the needs of the society.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the University's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

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, the State Corporations Act , Universities Act, 2012 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

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

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

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Standard	Effective date and impact:
Other improvements to IPSAS	<p><i>Applicable 1st January 2023</i></p> <ul style="list-style-type: none"> • IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). • IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

ii. ***New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.***

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>

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Standard	Effective date and impact:
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii. Early adoption of standards

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

Notes to the financial statements (continued)

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 Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the University and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 the Current FY was approved by the University Council. 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. Accordingly, the University recorded additional appropriations on the budget following the University Council and Ministry's approval. The University's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the

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Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

Budget information (continued)

accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under note 24 of these financial statements.

(c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the 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 which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Entity and the same taxation authority.

Sales tax

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

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- ii) When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

c) 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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Fixed Assets Depreciation:

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

The annual depreciation rates in use are:

Classification	Rate
Buildings	2%
Furniture, Plant and Equipment	12.5%
Library Books	12.5%
Motor Vehicles	25%
Computers and peripheral devices	33 1/3%
Academic Gowns	5%

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Freehold land is not depreciated as it is deemed to have an infinite life. Leasehold land is amortised over the unexpired lease period.

Work in progress

Work in progress represents properties under construction. It is carried at cost, less any recognized impairment loss. Depreciation of these assets commences when the assets are ready for their intended use on the same basis as other buildings.

e) 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.

f) 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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

g) 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:

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the University's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. There were no Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

b) Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) 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:

- i. Raw materials: purchase cost using the weighted average cost method.
- ii. Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the University.

j) 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.

k) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

l) Contingent liabilities

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

m) Contingent assets

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

n) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

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 Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

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 an Entity 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 University Council, the Vice Chancellor, Deputy Vice Chancellors and University Management Board.

t) Service concession arrangements

The University analyses all aspects of service concession arrangements that it enters 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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 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 authorised 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, 2023.

e) 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 judgements, estimates and assumptions made:

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal: The condition of the asset based on the assessment of experts employed by the Entity.

- i. The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- ii. The nature of the processes in which the asset is deployed.
- iii. Availability of funding to replace the asset.
- iv. Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. 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.

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Notes to the Financial Statements (Continued)

6. Transfers from Other Government entities

Description	2022-2023	2021-2022
	KShs	KShs
Unconditional Grants		
Operational Grant- Recurrent Capitation	469,085,070	418,296,000
Total Government Grants And Subsidies	469,085,070	418,296,000

c) Transfers from Ministries, Departments and Agencies

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance. *	Amount recognised in capital fund.	Total transfers
	KShs	KShs	2022-2023
State Department of Higher Education	469,085,070	52,500,000	521,585,070
Total	469,085,070	52,500,000	521,585,070

7. Accrued Income-in-kind

	International funders	
	Kshs	Kshs
Balance Brought Forward as at 1 July 2022	-	-
Additions	4,858,692	4,858,692
Transfers To Income Statement at 12.5%	607,336	607,336
Balance Carried Forward as at 3 June 2023	4,251,355	4,251,355

8. Rendering of Services

Description	2022-2023	2022-2021
	Kshs	Kshs
Tuition Fees	141,642,769	121,965,000
Application Fees	1,287,697	547,000
Total	142,930,466	122,511,000

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Notes to the Financial Statements (Continued)

9. Rental Revenue from facilities and equipment

Description	2022-2023	2022-2021
	Kshs	Kshs
Contingent Rentals	1,452,660	2,975,000
Staff House Rentals	2,194,230	2,175,000
Total	3,646,890	5,150,000

**Contingent rentals include hire grounds, institutional facilities like halls, kitchen etc.*

10. Other Income

Description	2022-2023	2021-2022
	Kshs	Kshs
Graduation fees	2,925,500	3,909,000
Accommodation	3,556,206	5,782,000
Catering	4,554,437	4,142,000
Research Grants	501,600	618,000
Fines & other charges	211,033	6,778,000
Development partners	4,267,935	17,000,000
Total Other income	16,016,710	38,228,000

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Notes to the Financial Statements (Continued)

11. Use of Goods and Services

Description	2022-2023	2021-2022
	Kshs	Kshs
Electricity	6,066,430	4,374,000
Water	5,577,025	5,487,000
Security	1,118,800	59,000
Subscriptions	62,000	275,000
Advertising	763,000	503,000
Audit Fees	705,800	696,000
Catering	17,423,400	17,187,000
Fuel and Oil	1,253,052	696,000
Insurance	35,725,169	17,396,000
Medical Drugs	1,868,546	1,775,000
Consumables	1,647,046	1,835,000
Postage	11,030	9,000
Printing and Stationery	1,209,550	1,494,000
Strategic Plan Expenses	357,800	84,000
Hire Charges	47,200	503,000
ISO& Quality Assurance Expenses	497,000	1,001,000
Research & Outreach expenses	1,662,840	1,334,000
Graduation Expenses	12,112,323	3,687,000
Post-graduate Programme	178,950	268,000
Telecommunication	3,946,904	4,363,000
Learning Expenses	2,564,187	9,691,000
Training	551,940	3,047,000
Travel, Subsistence & Other Allowances	20,111,136	16,390,000
Other General Expenses	1,397,613	1,954,000
Examination Expenses	851,000	1,170,000
Students Association Expenses	2,462,055	2,226,000
Part Time Lecturers	58,331,558	46,448,000
Students Fees refund	426,700	469,000
KUCCPS Charges	506,000	267,000
Commission for University Education expense	3,074,000	263,000
Total	182,427,035	144,951,000

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Notes to the Financial Statements (Continued)

12. Employee Costs

Description	2022-2023	2022-2023
	Kshs	Kshs
Salaries and wages	375,440,875	360,851,000
Employer contribution to pension schemes	29,909,724	27,540,000
Security Allowances	5,976,110	6,316,000
Extraneous Allowances	-	2,524,000
Employee costs	411,358,764	397,231,000

13. Board Expenses

Description	2022-2023	2020-2023
	Kshs	Kshs
Chairperson Honorarium	870,000	870,000
Council Expense	13,395,588	6,779,000
Other expenses	50,500	-
Total	14,316,088	7,649,000

14. Depreciation and Amortization Expense

Description	2022-2023	2022-2023
	Kshs	Kshs
Property, plant and equipment	48,551,064	31,935,000
Intangible assets	2,111,825	2,112,000
Total depreciation and amortization	50,662,889	34,047,000

15. Repairs and Maintenance

Description	2022-2023	2022-2023
	Kshs	Kshs
University Vehicles	1,085,523	550,000
Maintenance of Grounds & Parks	888,956	0
General Refurbishment	679,540	0
Total Repairs and Maintenance	2,654,019	550,000

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Notes to the Financial Statements (Continued)

16. Cash and Cash Equivalents

Description	2022-2023	2022-2023
	Kshs	Kshs
Current Account	25,707,054	27,524,000
Total Cash And Cash Equivalents	25,707,054	27,524,000

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2022-2023	2022-2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank Payment Account	1136134727	120,267	2,933,000
Kenya Commercial Bank Deposit Account	1136134816	9,076	12,284,000
Kenya Commercial Bank - Collection Account	1136134514	824,069	1,560,000
Equity-GSSP Collection Account	580261358416	5,431,140	3,266,000
Equity-PSSP Collection Account	580261358406	18,155,502	2,920,000
Equity- Catering & Accommodation Account	580261526380	1,167,000	4,561,000
Sub- Total		25,707,054	27,524,000

17. Receivables from Exchange Transactions

(i) Receivables from Exchange Transactions (Current)

Description	2022-2023	2022-2023
	Kshs	Kshs
Receivables		
Student Debtor	17,877,747	18,266,000
Total Current Receivables	17,877,747	18,266,000

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Notes to the Financial Statements (Continued)

18. Inventories

Description	2022-2023	2021-2022
	Kshs	Kshs
Procurement-Central stores	0	755,000
Science Laboratory stores	0	4,358,000
Medical supplies-Clinic store	0	322,000
Catering store	0	2,954,000
Hostel stores	0	2,000
Total inventories at the lower of cost and net realizable value	0	8,391,000

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Notes to the Financial Statements (Continued)

19. Property, Plant and Equipment

Cost	Leasehold Land	Buildings	Motor vehicles	Furniture and fittings	Computers, Copiers & Printers	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2021	300,000,000	332,969,000	11,113,000	109,787,000	12,097,000	724,728,000	1,490,694,000
Additions	-	8,921,000	-	2,700,000	3,856,000	12,896,000	28,373,000
Transfers/Adjustments	-	147,058,000	-	-	-	(147,058,000)	-
As at 30th June 2022	300,000,000	488,948,000	11,113,000	112,487,000	15,953,000	590,566,000	1,519,067,000
At 1 July 2021	300,000,000	488,948,000	11,113,000	112,487,000	15,953,000	590,566,000	1,519,067,000
Additions	-	22,667,519	5,840,000	18,945,017	1,309,200	59,784,942	108,546,677
Transfer	-	594,902,750	-	-	-	(594,902,750)	-
As at 30th June 2023	300,000,000	1,106,518,269	16,952,822	131,432,017	17,262,200	55,448,192	1,627,613,499
Depreciation							
At 1 July 2021	-	8,307,000	3,473,000	13,724,000	4,032,000	-	29,536,000
Depreciation Charge	-	9,778,960.00	2,778,250	14,060,875	5,317,135	-	31,935,220
As At 30th 2022	-	18,085,960	6,251,250	27,784,875	9,349,135	-	61,471,220
At 1 July 2022	-	18,085,960	6,251,250	27,784,875	9,349,135	-	61,471,220
Depreciation Charge	-	22,130,365	4,238,250	16,429,002	5,753,491	-	48,551,109
As at 30th June 2023	-	40,216,325	10,489,500	44,213,877	15,102,626	-	110,022,329
Net Book Values							
As at 30th June 2023	300,000,000	1,066,301,943	6,463,500	87,218,139	2,159,574	55,448,192	1,517,591,349
As at 30th June 2022	300,000,000	470,862,040	4,861,750	84,702,125	6,603,865	590,566,000	1,457,595,780

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Notes to the Financial Statements (Continued)

20. Intangible Assets

Description	2022-2023	2021-2022
	Kshs	Kshs
Cost		
At beginning of the year	16,894,603	16,894,603
Additions	0	0
At end of the year	16,894,603	16,894,603
Additions—internal development	0	0
At end of the year	16,894,603	16,894,603
Amortization and impairment		
At beginning of the year	4,223,651	2,112,000
Amortization	2,111,825	2,111,825
At end of the year	6,335,476	4,223,651
Impairment loss	0	0
At end of the year	6,335,476	4,223,651
NBV	10,559,126	12,670,952

21. Trade and Other Payables

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Payables	12,476,816	1,358,000
Employee Payables	4,241,450	0
Third-Party payments	47,882,621	43,707,000
Prepaid Fees	4,764,945	0
Total trade and other payables	69,365,832	65,774,000

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Notes to the Financial Statements (Continued)

22. Refundable Deposits and Prepayments from Customers

Description	2022-2023	2021-2022
	Kshs	Kshs
Caution money	4,373,000	4,946,000
Retention Money	10,649,411	10,649,000
Prepaid Fees	-	4,059,000
Total deposits	15,022,411	19,654,000

The deferred income movement is as follows:

23. Deferred Income

Description	2022-2023	2021-2023
	Kshs	Kshs
Turkish Cooperation and Coordination Agency- TIKA	4,858,692	0
Total Deferred Income	4,858,692	0

Donated solar panel during financial year 2022/2023 by TIKA

	International funders	Total
	Kshs	Kshs
Balance Brought Forward	0	0
Additions	4,858,692	4,858,692
Transfers To Income Statement at 12.5%	(607,336)	(607,336)
Balance Carried Forward	4,251,355	4,251,355

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Notes to the Financial Statements (Continued)

24. Cash Generated from Operations

Description	2023-2023	2021-2022
	Kshs	Kshs
Surplus for the year before tax	(29,132,322)	(243,000)
Adjusted for:		
Depreciation	50,662,889	34,047,000
Non-cash grants received	4,858,692	0
Working capital adjustments		
Decrease in inventory	8,390,313	1,500,000
Decrease in receivables	388,253	2,715,000
Increase in deferred income	4,251,355	0
Increase in payables	24,264,482	(12,973,000)
Increase in payments received in advance	(4,631,589)	0
Net cash flow from operating activities	54,229,731	25,046,000

Notes to the Financial Statements (Continued)

1. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity 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 Entity'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 Entity's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

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

As at 30th June 2023				
Receivables from exchange transactions	17,877,747	17,877,747	0	0
Bank balances	25,707,054	25,707,054	0	0
Total	43,584,801	43,584,801	0	0
As at 30 June 2022				
Receivables from exchange	18,266,000	18,266,000	0	0

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transactions				
Bank balances	27,524,000	27,524,000	0	0
Total	45,790,000	45,790,000	0	0

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The University has no significant concentration of credit risk. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

iii) Market risk

The University has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The 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 Entity's exposure to market risks or the way it manages and measures the risk.

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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. The University manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the University's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are nil.

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The University analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates there will be no impact on the statement of comprehensive income.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the University's market assumptions. These two types of inputs have created the following fair value hierarchy:

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- 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

Notes to the Financial Statements (Continued)

Financial Risk Management

components. This hierarchy requires the use of observable market data when available. The *Entity* considers relevant and observable market prices in its valuations where possible.

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

iv) Capital Risk Management

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

Revaluation Reserve	533,079,000	533,079,000
Retained Earnings	124,596,296	153,692,000
Capital Reserve	825,457,000	772,957,000
Total Funds	1,483,132,296	1,459,728,000
Total Borrowings	0	0
Less: Cash and Bank Balances	25,707,054	27,524,000
Net Debt/(Excess Cash And Cash Equivalents)	25,707,054	27,524,000
Gearing	0%	0%

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Notes to the Financial Statements (Continued)

2. Related Party Disclosures

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 entity, both domestic and external. Other related parties include:

- i. The National Government;
- ii. Ministry of Education;
- iii. University Council;
- iv. Key Management: The Vice Chancellor, and Deputy Vice Chancellors

a) Grants /Transfers from the Government		
Grants from National Govt	521,585,070	418,000,000
Total	521,585,070	418,000,000
b) Key management compensation		
Council' emoluments	14,316,088	7,649,000
Compensation to key management	23,456,268	23,456,268
Total	37,772,356	31,105,268

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Notes to the Financial Statements (Continued)

3. Events after the Reporting Period

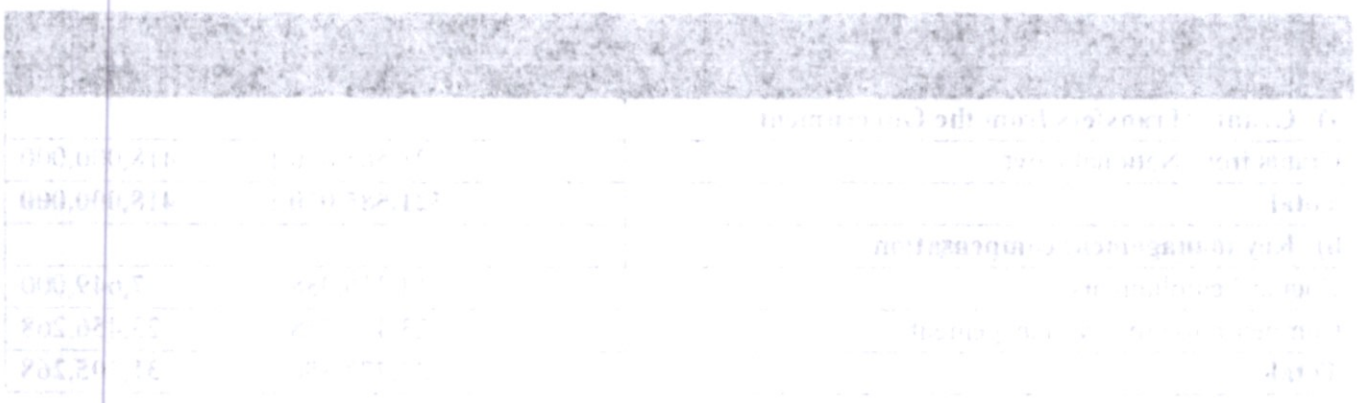
There were no material adjusting and non- adjusting events after the reporting period.

4. Ultimate And Holding Entity

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

5. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.



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20. Appendices

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

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

1.	Unsupported Payment of Part-Time Lectures	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
2.	Unsupported Board expenses	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
3.	Unsupported and Unanalysed Trade and Other Receivables	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
4.	Unapproved and unsupported Training and Capacity Building Expenses	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
5.	Budgetary Control and Performance	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
6.	Over Expenditure on Food and Catering Expenses	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
7.	Unresolved Prior Year Matters	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
8.	Irregular Approval of University Budget	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
9.	Budgetary Limit on Employee Cost	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
10.	Understaffing	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
11.	Lack of Substantive Vice Chancellor	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
12.	Lack of Ethnic and Gender Diversity	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024

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13	Payroll Management	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
14	Property, Plant and Equipment	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
15	Staff Medical Insurance	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
16	Irregular Payment of Acting Allowances	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
17	Trade and Other Payables	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024
18	Unapproved Fee Payment Mode	The issue is yet to be discussed by parliament	Vice Chancellor	Not resolved	30 June 2024


Prof. Ahmed A. Osman, PhD
Ag. VICE CHANCELLOR

Date: 30/9/2023

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Appendix II: Projects implemented by Garissa University

Project Name	Project Number	Source of Funds	Period	Estimated Cost	Capital Expenditure	Revenue
Ultra Modern Library	1065103503	GoK	2023-Date	1,500,000,000	No	Yes
Tuition Block with Auditorium	1065103504	GoK	2023-Date	376,000,000	No	Yes
Borehole Water & Reticulation	1065103505	GoK	2023-Date	27,000,000	No	Yes
Modern Hostel & New Administration Block	1065103506	GoK	2023-Date	450,000,000	No	Yes

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Appendix III: Transfers from Other Government Entities

Ministry of Education	8/3/2022	Recurrent	84,923,756	84,923,756	0	84,923,756
Ministry of Education	9/8/2022	Development	0	0	52,500,000	52,500,000
Ministry of Education	9/8/2022	Recurrent	32,347,511	32,347,511	0	32,347,511
Ministry of Education	11/10/2022	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	12/13/2022	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	12/30/2022	Recurrent	39,090,422	39,090,422	0	39,090,422
Ministry of Education	3/2/2023	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	17/3/23	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	14/4/23	Recurrent	39,090,420	39,090,420	0	39,090,420
Ministry of Education	8/5/2023	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	6/9/2023	Recurrent	39,090,423	39,090,423	0	39,090,423
Ministry of Education	27/6/23	Recurrent	39,090,423	39,090,423	0	39,090,423
Total			469,085,070	469,085,070	52,500,000	521,585,070

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Appendix V- Inter-Entity Confirmation Letter



GARISSA UNIVERSITY
OFFICE OF THE VICE CHANCELLOR

P.O. Box 1801 – 70100,
Garissa, Kenya.

Email: vc@gau.ac.ke
 Website: www.gau.ac.ke

Garissa University wishes to confirm the amounts disbursed as at 30th June 2023 as indicated in the table below.

		Amounts Disbursed by [SC/SAGA/Fund] (Kshs.) as at 30th June (FY 22-23)				2021-2022 (E)
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	
	08/03/22	84,923,756	-	-		34,781,000
	09/08/22	32,347,511	52,500,000	-		34,781,000
	11/10/22	39,090,423	-	-		34,781,000
	12/13/22	39,090,423	-	-		34,781,000
	12/30/22	39,090,422	-	-		34,781,000
	03/02/23	39,090,423	-	-		34,781,000
	17/3/23	39,090,423	-	-		34,781,000
	14/4/23	39,090,420	-	-		34,781,000
	08/05/23	39,090,423	-	-		34,781,000
	06/09/23	39,090,423	-	-		35,243,000
	27/6/23	39,090,423	-	-		35,243,000
	30/6/23	-	-	-	-	34,781,000
Total		469,085,070	52,500,000	-	521,585,070	418,296,000

In confirm that the amounts shown above are correct as of the date indicated.

HEAD OF ACCOUNTANTS DEPARTMENT OF GARISSA UNIVERSITY:

Name CPA Aden Mury Sign [Signature] Date 30/09/2023

[Handwritten mark]

