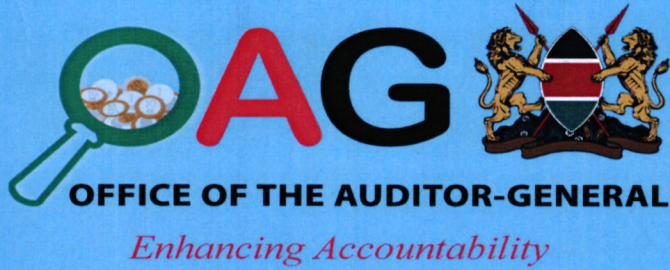


REPUBLIC OF KENYA



REPORT

OF

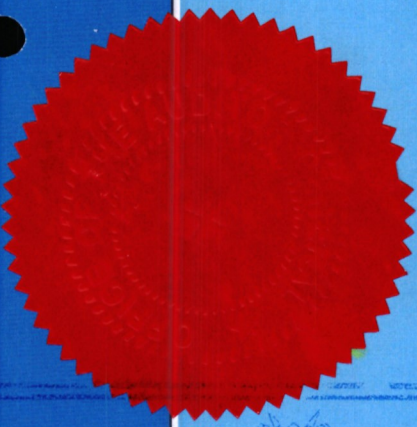
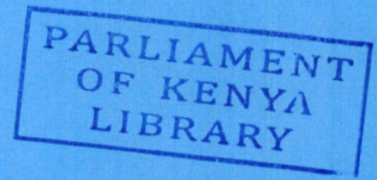
THE AUDITOR-GENERAL

ON

UNIVERSITY OF KABIANGA

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 14 JUN 2023	DAY: WEDNESDAY AM
TABLED BY: Hon. Nibomi Wago, MP Deputy Majority Party Whip	
CLERK OF THE TABLE: A. Imbulu	





UNIVERSITY OF KABIANGA
P.O BOX 2030-20200 KERICHO, KENYA
TEL: 020-2172665

UNIVERSITY OF KABIANGA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING
30TH JUNE 2022

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

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1. KEY UNIVERSITY INFORMATION AND MANAGEMENT

(a) BACKGROUND INFORMATION

University of Kabianga is located in Kericho County in the famous scenic tea-growing highlands in the Southern end of the Mau Forest Region of Kenya. It occupies the grounds formerly held by Kabianga Farmers Agricultural Training Centre. In 2007, the Centre was converted to a Campus of Moi University and later elevated to a Constituent College in 2009. The College was then elevated to a fully-fledged University and awarded a Charter in 2013 with the initial five (5) Schools. Currently, the University has three (3) Campuses, newly reconstituted five (5) Schools comprising of 15 Departments and five (5) Directorates that support the achievement of the core mandate of the University.

The Kabianga Complex which included the Kabianga High School & Primary School and Kabianga Farmers Centre has a long history dating to 1925 and has been a centre of excellence in Farmer's Training, Teacher Education, Secondary, Primary Education and the 300 Acre Kipsigis County Council Tea Farm. Indeed the current Kericho Teachers' Training College was situated at the Kabianga Complex until 1963 when it was moved to the current location in Kericho Town.

The University stands on 100 acres of land and is situated in the famous and lush tea-growing highlands of Kericho County in the Southern end of the Rift Valley Province of Kenya. It is about 21km from Kericho Town and 6km off the main Kericho - Kisii road on the junction called "Premier Dairies"

Since its inception, the University embarked on the expansion of physical facilities. These include library, modern hostels, laboratories, health unit, lecture theatres, water treatment plant, septic tank elevated water tank and Network Infrastructure. Plans are underway to put up more administrative offices to cater for the surging demand.

(b) PRINCIPAL ACTIVITIES OF THE UNIVERSITY

The main activities of the University of Kabianga are as follows:

- i. To provide directly, or in collaboration with other institutions of higher learning, facilities for university education, the integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of the citizens of Kenya.
- ii. To participate in the research, transmission and preservation and enhancement of knowledge and to stimulate the intellect participation of students in the economic, social, cultural, scientific and technological development of Kenya.
- iii. To provide and advance university education and training to appropriately qualified candidates, leading to the conferment of degrees and award of diplomas and certificates and such other qualifications as the Council and the Senate shall from time to time determine and in so doing , contribute to manpower needs;
- iv. To conduct examinations for such academic awards as may be provided in the statutes pertaining to the University;
- v. To examine and make proposals for new faculties, schools , institutes , departments, resource and research centres, degree courses and subjects of study;
- vi. To play a leading role in the development and expansion of the opportunities for higher education and research;
- vii. To contribute to industrial and technological developments through innovations and technology transfer.
- viii. To develop as an institution of excellence in teaching, training, scholarship, entrepreneurship, innovation, research, and consultancy services;
- ix. To participate in commercial ventures and other activities for the benefit of the institution, the community and stakeholders;

- x. To contribute to agriculture, industrial and technological development of Kenya in collaboration with industrial and other institutions through the transfer of appropriate technology;
- xi. To provide programmes, products and services in ways that reflect the principles of equity and social justice;
- xii. To facilitate student mobility between different programmes at different training institutions , universities and industry; and
- xiii. To foster the general welfare of all staff and students.

VISION:

To be a leading University in scientific innovation for the betterment of humanity

MISSION:

To create, preserve and transfer knowledge and technology through quality and entrepreneurial education, research, extension, and partnership with government, industry and non-state actors whilst ensuring a sustainable environment.

CORE VALUES:

The core values of the University coined as "METIP" reflects the University Culture and is meant to inspire efficient and effective service delivery across the University. These core values take cognizance of the National values and principles of governance as espoused in Articles 10 and 232 of the Constitution. They are:

M- Meritocracy

E- Excellence

T- Teamwork

I- Innovation

P- Professionalism

(c) KEY MANAGEMENT




ISO 9001:2015 Certified Institution



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

- i. University Council
- ii. University Management Board
- iii. University Senate

(d) FIDUCIARY MANAGEMENT

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

S/N	Designation		Name
1.	Vice-Chancellor		Prof. Wilson K. Kipngeno , MBS B.Sc M.Sc (UoN), PhD(University of California, Riverside)
2.	Deputy Vice- Chancellor (Administration and Finance)		Prof. Eric Koech , MBS B.Sc (UoN), M.Sc (Mc Gill), PhD (North Wales, UK)
3.	Deputy Vice- Chancellor (Academic and Student Affairs)		Prof. Elijah I. Omwenga B.Ed Sc. (KU), PGD Comp. Sc (UoN), MSc. Comp. Sc (NUST) Bulawayo, PhD Comp. Sc (UoN)
4.	Deputy Vice- Chancellor (Planning, Research and Development)		Prof. Maurice O. Oduor B.Ed (Maseno University) M.Sc (Pure Mathematics)- Maseno University PhD (Pure Mathematics)- Maseno University
5.	Finance Officer		CPA. Willy K. Koech BBM Accounting(Moi University), CPA (K), MBA (UoK),
6.	Registrar (Administration)		Mr. Peter K. Kimalel BA(Moi University), EMBA (UoK), PG Dip HRM (Moi Uni- versity)

7.	Registrar (Academic) 	Dr. Cecilia C. Sang BEd. Home Science (KU), M.Ed. (Egerton University), PhD.(Egerton University)
8.	Registrar (Planning, Research & Development) 	Rev. Dr. Edwin Too BTh. (KHEU) M.Ed (University of Manchester) M.Div.(AIU), PhD (Kabarak University),

(e) FIDUCIARY OVERSIGHT ARRANGEMENTS

The Council Committees facilitate decision-making to assist the Council in the execution of its duties, powers and authority, however delegation of authority to the committees does not in any way mitigate or dissipate the discharge by the Council of its duties and responsibilities. Council Committees have been established with formal written terms of reference and observe the same rules of conduct and procedures as the Council. In the financial year ended 30th June 2022 the University had the following Committees of Council:

1) AUDIT COMMITTEE

- | | |
|-----------------------------|----------------------------|
| 1. Dr. (Mrs.) Anne A. Oburu | Chairman |
| 2. Mr. Stephen I. Muiruri | Member /Rep NT |
| 3. Mr. William P. Mayaka | Member |
| 4. Mr. Elkanah Mochama | Internal Auditor/Secretary |

2) FINANCE RESOURCE MOBILIZATION AND INFRASTRUCTURAL DEVELOPMENT COMMITTEE

- | | |
|----------------------------|----------------|
| 1. Mr. James K. Bett | Chairman |
| 2. Mr. David Njagi Ngonge | Member |
| 3. Mr. Stephen I. Muiruri | Member /Rep NT |
| 4. Vainadu Titus Z. Ingana | Member/Rep MOE |

5. Prof. Wilson K. Kipngeno Vice-Chancellor/Secretary

3) ACADEMIC, RESEARCH, PLANNING, HUMAN RESOURCE AND ADMINISTRATION COMMITTEE

1. Mr. David Njagi Ngonge	Member- Chairman
2. Mr. Aggrey S. Shikanga	Member
3. Vainadu Titus Z. Ingana	Member/Rep MOE
4. Prof. Wilson K. Kipngeno	Vice-Chancellor/Secretary

(f) UNIVERSITY REGISTERED OFFICE

University Of Kabianga
Off Kericho- Kisii Road
P.O Box 2030 - 20200,
Kericho.

(g) UNIVERSITY CONTACTS

Telephone: 020-2172665
E-mail: vc@kabianga.ac.ke
Website: www.kabianga.ac.ke

(h) BANKERS OF THE UNIVERSITY

1. Co-operative Bank,
Kericho Branch.
2. Kenya Commercial Bank
Kericho Branch.
3. Standard Chartered Bank
Kericho Branch.
4. Equity Bank
Litein Branch.



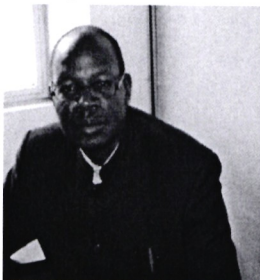
(i) INDEPENDENT AUDITORS



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




(j) PRINCIPAL LEGAL ADVISER


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

2. MEMBERS OF COUNCIL

<p>Dr. Adelaide M. Mbithi (HSC) Chairman of Council PhD (UoN); MSc. (USIU); B, Ed. (Science) –UoN; Dip (Montreal, Canada).</p> 	<p>Dr Adelaide Mbaika Mbithi is a Scholar and a Higher Education Development, Management and Training Consultant and Expert in Kenya. She has risen through the ranks from a registered graduate teacher to an administrator in the University. Adelaide has served in several public, private and religious boards at the national, county and at community level. As a scholar, Adelaide has attended and presented papers at seminars, symposia and conferences as well as publishing in peer reviewed journals and has supervised PhD and Masters Theses in the fields of business administration, human resources and project management. Adelaide has professional training, certification and experience in strategic management, transformational leadership and corporate governance among others. She is a registered member of professional associations and institutes. She was appointed as Chairman of Council of University of Kabianga on the 4th November, 2020.</p>
<p>Prof. Wilson K. Kipngeno, MBS Secretary B.Sc, M.Sc (UoN), Ph.D (California, Riverside)</p> 	<p>Prof. Wilson Kipngeno started his career as a lecturer in University of Nairobi in the field of Applied Statistics. Through his brilliance, he has risen through the ranks to be the Vice-Chancellor of University of Kabianga. His previous work experience includes serving as a DVC (Administration Planning and Finance) in Jomo Kenyatta University of Agriculture and Technology (JKUAT) and Egerton University. Prior to his appointment in May 2013, Prof. Kipngeno was the Ag. Vice-Chancellor after serving as the Principal of Kabianga University College since May 2009. He was re-appointed as Vice-Chancellor of Council of University of Kabianga on the 18th June, 2018.</p>
<p>Vainadu Titus Zakayo Ingana Council Member BSc. (UoN), MSc.(UoN)</p> 	<p>Vainadu Titus Zakayo Ingana represents the Principal Secretary – State Department for University Education and Research, Ministry of Education. He is a former United Nations Advisor to the Prime Minister of Timor Leste-Indonesia under UNDP. He is currently serving as a Researcher in the Ministry of Education. He is the Kenyan Focal Point Officer on Science, Technology and Development (ST&D) to the Commission for Science, Technology and Development (CSTD), UNCTAD, Geneva. His task is to spearhead the development of Kenya's Issues Papers on various themes as requested for annually by CSTD/UNCTAD.</p>




	<p>He worked in Rwanda in the period 2015- 2017 on "Work Place Human Resource-based Value Chain Assessment"; A Skills Audit Programme for the Capacity Development and Employment Services Board (CESB) of the Republic of Rwanda, based on ISCO, 2012.</p> <p>Ingana has authored twenty (20) Books in various fields and one of the Books, "The Politicians Speech" is being prepared to be acted as a Movie. He is the founder of Firmword Church worldwide. He was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>
<p>Mr. Stephen I. Muiruri Council Member B.A (Gujarat University) M.A (Gujarat University)</p> 	<p>Mr. Stephen I. Muiruri represents the Principal Secretary, National Treasury. He is an economist who joined Global Fund Program as the Deputy Coordinator and formed a fully-fledged unit for Global Fund Program dealing with Coordination and management while reporting directly to the Principal Secretary, National Treasury. Formation this Fund led to Kenya attracting substantial grants from Global Fund. Kenya receives the highest grants from Global Fund within the region. This also led to Kenya becoming the best country regionally in terms of grant portfolio and management and the President of Kenya was nominated as a champion in mobilization of Global Fund resources during the replenishment conference held in Washington in the year 2019. He was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>
<p>Hon. James Kimaru Bett MP Council Member M.Com. (GOA Uni. India), B.Com. (Business Admin.) (KU), Post Graduate Dip. (CIPS)</p> 	<p>Hon. James Kimaru Bett served in the 11th parliament as MP for Kesses Constituency; he was a member of Public Accounts Committee. He also worked as civil servant from 1998-2012 in diverse ministries as a procurement officer. He is a dedicated public servant who believes in equality and the empowerment of all cadres of people in Kenya. He was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>

<p>Amb. Aggrey Shikanga Shitsama Council Member LLB(UoN); LLM (UoN)</p> 	<p>Amb. Aggrey Shikanga Shitsama is an accomplished legal practitioner, Administrator, Manager and Diplomat. He is an Advocate of the High Court of Kenya since 13/10/1980. Since 1982 to date he has been in Private Legal Practice. From 2011 to March 2014 he served as the Chairman Standards Tribunal appointed under the Standards Act. He was appointed as an in 2014 Ambassador and posted by the Government of Kenya as Deputy Ambassador Deputy Head of Mission/ Head of Chancery Kenya's Mission in Addis Ababa Ethiopia. In 2019 he resorted back to full time private practice. He was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>
<p>Dr. (Mrs.) Anne A. Oburu Member BSc. (Lumumba), M.MED (UoN)</p> 	<p>Dr. (Mrs.) Anne Oburu has wide experience in the Public Service. She has worked as a Doctor in charge of Paediatrics Nyanza General Hospital, Coast Provincial Hospital and Private Practice. She was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>
<p>David Njagi Ngonge Council Member BSc. (UoN); M.A (UoN)</p> 	<p>David Njagi Ngonge is a Consultant in Environmental and Alternative Dispute Resolution (ADR). He holds an MA degree in Environmental Law and a BSc degree in Agriculture from the University of Nairobi. He has a post-graduate Certificate in Rice Production from Tsukuba International Training Centre, Japan and a Certificate in Environmental Impact Assessment and Audit from Africa Nazarene University. He is currently pursuing his PhD degree in Environmental Law at the University of Nairobi. Ngonge is an expert in Alternative Dispute Resolution (ADR) having been trained and certified as an Arbitrator by Chartered Institute of Arbitration (Kenya and London) and a Certified Professional Mediator by Mediation Training Institute (MTI) East Africa. He is a member of Chartered Institute of Arbitrators (MCI Arb) and a Judiciary Accredited Court Annexed Mediator in Kenya. He is registered with NEMA as an Environmental Impact Asser/Auditor (EIA/EA) Lead Expert and is a member of Environment Institute of Kenya</p>

	<p>(EIK). He is also a Board Member at Tana Water Works Development Agency since February 2019. He was appointed as member of Council of University of Kabianga on the 4th November, 2020.</p>
<p>Mr. William P. Mayaka, (EBS) MPA (Havard) PGC (Princeton) BA (Colby)</p> 	<p>Mr. William Mayaka is a retired Permanent Secretary (PS) having served in that capacity in the Ministry of Environment & Natural Resources; Industrialization; and then Tourism. A career civil servant, he served in the Ministry of Finance (then The Treasury) where he rose from an Assistant Secretary to Deputy Secretary (DS). He then served as DS in the Ministries of: Local Government; Agriculture; Environment & Natural Resources; and then Labour & Manpower Development before being honoured with appointment as PS. He has also served as member of Council, Maseno University; Director of the Board of Kenya Reinsurance Corporation; and Chairman of the Board of Directors of Nyayo Tea Zones Development Corporation. He was reappointed as member of Council of University of Kabianga on the 4th November, 2020.</p>

3. UNIVERSITY MANAGEMENT TEAM

S/N	Designation		Name
1.	Vice-Chancellor		Prof. Wilson K. Kipngeno , MBS B.Sc M.Sc (UoN), PhD (University of California, Riverside)
2.	Deputy Vice- Chancellor (Administration and Finance)		Prof. Eric Koech , MBS B.Sc (UoN) M.Sc (Mc Gill PhD (North Wales, UK),.)
3.	Deputy Vice- Chancellor (Academic and Student Affairs)		Prof. Elijah I. Omwenga B.Ed Sc. (KU), PGD Comp. Sc (UoN), MSc. Comp. Sc (NUST) Bulawayo, PhD Comp. Sc (UoN)
4.	Deputy Vice- Chancellor (Planning, Research and Development)		Prof. Maurice O. Oduor B.Ed (Maseno University) M.Sc (Pure Mathematics)- Maseno University PhD (Pure Mathematics)- Maseno University
5.	Finance Officer		CPA. Willy K. Koech BBM Accounting(Moi University), CPA (K), MBA (UoK)
6.	Registrar (Administration)		Mr. Peter K. Kimalel BA(Moi University), PG Dip HRM (Moi University), EMBA (UoK)
7.	Registrar (Academic Affairs)		Dr. Cecilia C. Sang BEd. Home Economics (KU), M.Ed. (Egerton University), Ph.D.(Egerton University)

8.	Registrar (Planning, Research & Development)		Dr. Rev. Edwin Too BTh. (KHEU), M.Div.(AIU), M.Ed (University of Manchester) PhD (Kabarak University),
9.	ICT Director		Mr. Geoffrey K. Sowek M. Sc. (KCA), BSc. Computer Science (Egerton University)
10.	Legal Officer		Ms. Robai W. Ayuma LLB (Moi University), Dip. in Law (Kenya School of Law)
11.	Ag. Deputy University Librarian		Ms. Janet Nankui Msc. Library and Information Studies (Moi University) Bsc. Library and Information Sciences (Moi University) Dip. Library and Information Studies (KSPS)

4. CHAIRMAN'S STATEMENT

It gives me great pleasure to present University of Kabianga's Annual Report and Financial Statements for the year ended 30th June 2022. University of Kabianga operates within a framework of strong corporate governance. The Council Chairman leads a competent team of Council members in steering the University towards realization of its vision "to be a leading University in scientific innovation for the betterment of humanity".

During the year under review, the University received minimal increased government grants to finance its recurrent budget from **Ksh. 780,546,188** to **Ksh. 814,061,889** in financial years 2020/2021 and 2021/2022 respectively. The development funding allocation for FY 2021/2022 of **Ksh. 90M** was received in full, while in FY 2020/2021 the allocation was **Ksh. 143M** and **Ksh. 71.5M** was received. The disbursement for FY 2021/2022 was received in two tranches, in the first and the third Quarter of the financial year under review. The continued low allocation of G.o.K development funding has affected the implementation of Government development projects.

Internally generated funds realized by the University during the year amounted to **Ksh.370M** compared to **Ksh. 259M** in FY 2020/2021. The main component of internally generated funds is tuition and tuition related fees which amounts to **Ksh.351M** compared to **Ksh.244M** while other incomes amounts to **Ksh.19M** compared to **Ksh.15.5M**.

The total revenue received in FY 2021/2022 was **Ksh1.18 Billion** compared to **Ksh 1.04 Billion** in FY 2020/2021. The total expenditure rose from **Ksh1.16 Billion** in the FY 2020/2021 to **ksh1.37Billion** in the FY 2021/2022. The increase in expenditure was attributed to implementation of CBA 2017-2021 and resumption of physical learning in the university. During the same period, the funding level from the

Government was notably low and not able to meet both the recurrent and development expenditure requirements of the University. It is also noted with concern that as at end of the Financial Year, the University had a deficit of **Kshs. 181M** due to inadequate funding.

The University has continued to implement its Master Plan, which informs its infrastructural development. Despite the dwindling funds during the financial year, the University continued to make substantial progress in terms of capital development by undertaking the following projects; Lecture Theatre Block Phase IV, University Library and Dining Hall. The Lecture Theatre Block Phase IV was completed during the year under review. These projects are funded by the Government through G.O.K development grants except the dining hall funded by university internal resources. The University could not have achieved the progress realized so far without the much needed financial support from the Government of Kenya during the period under review. However, the University is likely to face challenges related to upward trajectory in commodity prices and reduction or delayed disbursement of the capital funds allocated for the financial year.

The University continues to undertake its core mandate on teaching, research and extension. During the period, the University graduated a total of **1,858** Students in different levels as compared to **1,684** Students in 2021. As a result the university attained a transition rate of 94.3% with 4 PHD graduands. In terms of academic programmes, the University alongside the existing four schools, established the School of Health Sciences to accommodate health related courses.

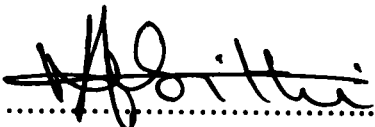
In terms of research the University has continued to engage in research aimed at contributing towards realization of the Government's National Development Goals. During the financial year, the University continued the operation of Fruit Juice Processing Plant in its Main Campus to process pineapples and other fruits.

ISO 9001:2015 Certified Institution

The facility addresses the Governments' Big Four Agenda of manufacturing and value addition as well as enhanced food and nutrition security. The juice processing plant plays a pivotal role within the economic pillar of Vision 2030 and the Sustainable Development Goals. The University also engaged the community in extension services geared towards promoting Corporate Social Responsibility.

To be able to contribute effectively to the realization of the government's priority areas such as the Big Four Agenda, Sustainable Development Goals and Vision 2030 and to remain competitive in the industry, the University endeavours to produce the relevant human capital that will drive the country towards knowledge-based economy. In terms of good governance, the University has continued to uphold the tenets of good corporate governance by being innovative, transparent, accountable, socially responsive as well as promoting excellence and exercise fairness in all its dealings.

Finally, I wish to appreciate the support that the Government and the Ministry of Education has offered to the University over the years and look forward to similar support in the coming years. Specifically, I wish to acknowledge the commitment and dedication of the University Management and staff who have continued to perform their duties with skill, loyalty and team spirit to enable the University achieve its milestone. My sincere appreciation also goes to my colleagues in the Council for their tireless devotion; team spirit and valued guidance. I look forward to similar and even more enthusiasm and cooperation in the future.

SIGNATURE: 

DATE: 28/4/2023

DR. ADELAIDE M. MBITHI
CHAIRMAN OF COUNCIL

5. VICE-CHANCELLOR'S STATEMENT

I am pleased to present the 9th Annual Report and Financial Statements for the University of Kabianga for the year ended 30th June, 2022. The University has undergone significant transformation within the reporting period that will provide a platform to build on in the future.

Since its inception, the University embarked on expansion of physical facilities and it continues to implement various infrastructure developments in its Master Plan and Strategic Plan (2022-2027). The ongoing projects undertaken in FY 2021/2022 include University Library and Resource Centre, Lecture Theatre Phase IV, and Students Dining Hall. During FY 2021/2022, the University continued to implement internal reforms that were undertaken in response to requirements of Commission of University Education which required rationalization of programmes, departments and schools, as well as re-engineering of processes and restructuring of campuses. This was done with the objective of making the operations of the University lean, more efficient and cost effective.

The university has five schools namely School of Health Sciences, School of Agricultural Sciences and Natural Resources, Business and Economics, Education, Arts and Social Sciences, Science and Technology. In addition the university has five (5) directorates namely: Directorate of Quality Assurance, Graduate Studies, Gender and Development, Research, Linkages and Extension and ICT directorate to support academic activities of the university.

In terms of campuses, the University has three accredited campuses namely: Kapkatet campus offering biomedical courses, Sotik and Kericho town campuses. The University continues to develop competitive and market oriented academic and professional programmes with a view to nurturing innovation and talents amongst students. The University endeavors to produce the relevant human capital that will drive the country towards knowledge-based economy and

realize the achievement of the government "Big 4" Agenda and Vision 2030. During the financial year 2021/2022, the University conducted its Ninth and Second virtual Graduation Ceremony on 25th March, 2022 and recorded a significant growth of 10.27% from 1,684 to 1,858 graduands.

University of Kabianga continues to uphold the tenets of good corporate governance by being innovative, transparent, accountable, persons of integrity, socially responsive as well as promoting excellence and exercise fairness in all its dealings.

During the 2021/2022 financial year, the University continued implementing ISO 9001:2015 Quality Management Standards after certification by KEBS. This has greatly improved university processes in pursuit of excellence in service delivery in all areas.

The University has anchored Corporate Social Responsibilities activities to its Strategic Plan (2022-2027). Under the key result area of community outreach and extension services, the University is also committed to improve the lives of special groups (youth, women and persons with disability) by making contribution of resources to empower them with knowledge and skills.

To appreciate the diversity of arts and cultures of communities and stakeholders, the university organizes annual cultural events that bring together diverse arts and cultural activities. These annual events promote national cohesion and integration among the students, staff and community.

During the year under review, the University received minimal increase in government grants to finance its recurrent budget from Ksh. 780,546,188 to Ksh. 814,061,889 in financial year 2020/2021 and 2021/2022 respectively. The development funding received for FY 2021/2022 was **Kshs 90M** as compared to FY 2020/2021 which was **Ksh. 71.5M** thus significantly affecting the University in capital development projects.

It is worth noting that there was a slight increase in internally generated funds from **Kshs. 259.6M** in FY 2020/2021 to **Kshs 371M** in FY 2021/2022. This was due to resumption of face-to-face services to the students as per the Presidential directive.

During the financial year 2021/2022, the university continued experiencing the effects of COVID-19 Pandemic in the country which led to a Presidential Directive suspending of physical learning in the Universities thus resulted to low payment of tuition and tuition related fees by the students. The University in the view of completing the second semester 2020/2021 syllabus developed course contents which were uploaded in the Moodle/Zoom platform for students to access.

The University appreciates the support that the Government through the ministry of Education has offered over the years.

SIGNATURE 
PROF. WILSON K. KIPNGENO, MBS
VICE-CHANCELLOR

DATE: 28/04/2023

6. STATEMENT OF UNIVERSITY OF KABIANGA'S PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2021/2022

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.

During the period ended 30th June, 2022, University of Kabianga had five (5) strategic pillars and objectives within the 2018-2022 Strategic Plan. The strategic pillars were as follows:

- Pillar 1: Academic
- Pillar 2: Leadership and Governance
- Pillar 3: Infrastructural Development
- Pillar 4: Cross Cutting Issues
- Pillar 5: Financial Resources.

University of Kabianga developed its annual work plans based on the above five strategic pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The University achieved most of its performance targets set for the FY 2021/2022 period on its five strategic pillars, as indicated in the table below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Academic Pillar	Enhance research activities to optimize Natural Resource and Land Use for the betterment of Humanity	Conferences papers & attendance Research reports	Research publications Awareness created on the niche	Achieved
	To develop at least five competitive programmes annually for the planned period	Developed curricular	Develop market driven programmes	Achieved
	To offer training programmes on food	Number of graduates	To offer training programmes on	Achieved

	security and health care	Training programmes Attendance lists Tracer study reports Clinical data	food security and health care To offer Outreach programmes on Health care	
	To increase the number of students enrolled annually by 12%	Open day schedule Reports Road show schedules developed	Enhanced budgetary allocation Marketing strategies such as Road shows and Open days	Achieved at 80.7%
	To enhance the use of ICT in teaching and learning	More computers and projectors acquired Digitized course outlines Use of ICT in teaching and learning	Procurement of ICT equipment and support use of ICT in teaching and learning process Staff training on use of ICT in teaching and learning	Achieved
	To launch online programmes MOOCS	List of online courses Training manuals	Identified courses Developed infrastructure to support MOOCS training manuals	Achieved
	To increase library collection from 16,000 to 21,000	Library resource selection lists Number of volumes per programme	Procurement of library books	Achieved
	To ensure Quality Research and Extension	Attendance lists	Research findings dissemi-	Achieved

	Activities	Published articles Research and extension reports	nated in addressing societal issues Increase in research publications	
	To automate library operations	Automated system in place and fully operational Off-campus access to e-resources	Automating library processes and acquiring Remote X Software	Achieved
Leadership and Governance	To develop, implement and review University policies	Developed policy Reviewed IPR Policy	Develop, review and approve policies	Achieved
	To implement Quality assurance policy and uphold quality of academic programmes	Evaluation reports Accreditation reports Reviewed curriculum	Implement quality assurance policy	Achieved
	To sustain ISO 9001:2015 Certification	Audit Reports MR reports Internal and External audits	Surveillance and post certification Audits	Achieved
	To implement performance contracting system	Cascaded and signed PC documents	Set PC targets and cascade for implementation	Achieved
Infrastructural Development	To complete ongoing and initiate new projects	Progress reports Completion certificates	Fast track ongoing projects Initiate new projects	One project was completed, Lecture Theatre Phase IV, The Library project is still work in progress and no new project was initiated

	To develop existing Campuses	Master Plans Progress reports	Develop two Campus Master Plans	Not achieved; School of Health Sciences established at Kapkatet Campus
Cross cutting issues pillar	To ensure zero tolerance to corruption	Code of Conduct Training reports Policies in place	Anti-corruption policy implementation University processes automation Implementation of Policy on whistle blowing	Achieved
	To mainstream HIV/AIDS prevention, care and support	Health Statistics and reports	Students and staff sensitized on prevention, stigma reduction and comprehensive care	Achieved
Financial resources pillar	To Restructure Financial Resources and Operations for Efficiency and Effectiveness	Restructured financial resources and operations Training reports Improved customer service	Financial procedures, regulations and policies manual developed and approved Financial sustainability plan developed and approved M-pesa pay bill developed, Staff payslips and student statements au-	Achieved

			tomation	
	To enhance management of University assets	Registers Tagged assets	Maintain and update University asset registers	Achieved
	To diversify financial resource streams to generate additional income	Additional income Financial reports	Develop and implement resource mobilization policy Operationalize UKES Limited	Achieved

7. CORPORATE GOVERNANCE STATEMENT

University of Kabianga is committed to ensuring good corporate governance by conducting its operations in accordance with internationally acceptable principles of good corporate governance and specifically with the requirements of Mwongozo: The Code of Conduct and Ethics for State Corporations.

The University ensures provision of timely and reliable information on its activities, structure, processes, financial situations and performance to all its stakeholders.

The Council

The Council consists of 9 members inclusive of the Vice-Chancellor as the Secretary. The Council members consist of the following:

NO.	NAME	TITLE
	Dr. Adelaide M. Mbithi	Chairman
	Hon. James Kimaru Bett	Member
	Amb. Aggrey Shikanga Shitsama	Member
	Dr. (Mrs.) Anne A. Oburu	Member
	Mr. William P. Mayaka	Member
	Mr. David Njagi Ngonge	Member
	Amb. Simon Nabukwesi	Ex-Officio
	Dr. Julius Monzi Muia	Ex-Officio
	Prof. Wilson K. Kipngeno	Secretary

The biographies of the Council Members are published on page xiii-xv. These Council Members possess a broad range of skills, qualifications and experiences required to direct the affairs of the University.

Roles and Responsibilities of Council

The Council has delegated authority for the operations and administration of the University to the Vice-Chancellor. It provides strategic direction to the University and its role is confined to setting and reviewing policies and is not involved in the operational conduct of University's business, activities and delivery of services

Specifically, the functions of Council include:

- a) Reviewing and approving strategic plans to steer the direction of the University
- b) Ensuring that the University is operating within procedures and policies that are sound, prudent and ethical

- c) Providing the much needed expertise particularly in terms of Policy formulation, performance management, financial management, governance and risk management and fundraising.
- d) Reviewing and approving capital and recurrent expenditure
- e) Providing Statutes for the creation of new Schools, Institutes, Departments, Divisions, Centres or other units of learning and research of the University
- f) Managing key stakeholder relationships
- g) Employing of staff as per the University's Charter and Statutes

Council composition

The Council comprises of nine (9) members as follows:

- a) the Chairman of Council appointed competitively through a transparent and formal process;
- b) Five (5) members appointed competitively through a transparent and formal process;
- c) the Principal Secretary in the Ministry, for the time being, responsible for the University Education;
- d) the Principal Secretary in the Ministry, for the time being, responsible for Finance; and
- e) The Vice-Chancellor who shall be the Secretary to the Council and an *ex-officio* member with no voting rights in the Council meetings.

COUNCIL MEETINGS

Meetings are critical for a strong and effective Board. It is through meetings that Council receives progress reports from Management through its various committees for action and guidance where necessary. The Council meets regularly and at least four times in a Financial Year.

Council Committees

For effective running of the affairs of the University, Council has delegated part of its responsibilities to standing committees. The committees operate under clearly defined mandates which spell out their responsibilities, scope of authority and procedures for reporting to the Council. The Council has four standing committees as follows:

1. Audit Committee

The mandate of this committee is to review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics.

2. Finance, Resource Mobilization and Infrastructural Development Committee

The committee oversees finance matters of the University which include resource mobilization, budgets and procurement.

3. Academic, Research, Planning, Human Resource and Administration Committee

This committee deals with academics, research, planning and development, human resource and administrative matters as per the approved terms of references.

Conflict of Interests

The Secretary to Council maintains and updates a register to record declarations of conflict of interest by Council Members and ensures the register is availed at each Council or Committee meetings for this purpose. However, in Council meetings throughout the FY 2021/2022, there was no declaration of conflict of interest by members on any of the subject matters that constituted the agenda.

Council and members' performance

The Council annually evaluates its own performance as well as performance of individual members, the Chairperson and the Vice Chancellor in accordance with the Evaluation Tool by State Corporations Advisory Committee (SCAC). The *ISO 9001:2015 Certified Institution*

results of the evaluation assist in the identification of training and development needs of members and the Council.

Council Charter

The University has a Council Charter in place that defines the Council roles, responsibilities, functions and structures to facilitate the full and free exercise of professional competencies. It also provides for the general conduct of Council meetings.

Code of Conduct and Ethics

The University has a Council Code of Conduct and Ethics that stipulates ethical principles which are considered essential in providing guidance and direction in a manner in which members of the Council are expected to conduct themselves when handling matters relating to the University.

Induction and Training

The Council ensures new members undergo an effective induction programme in order to familiarize them with their responsibilities as Council Members, general principles of Corporate Governance and Council practices.

Council Remuneration

Remuneration of the Council members is as per circulars issued by State Corporations Advisory Committee from time to time.

Appointment of Council Members

Council members are appointed through a competitive process as per the Universities Act, 2012. On appointment, all members are issued with appointment letters.

8. MANAGEMENT DISCUSSION AND ANALYSIS

During the financial year 2020/2021 Recurrent capitation grants allocated was **Ksh.780.5M** which translates to monthly capitation recurrent grant of **Ksh.65M** Compared to the annual recurrent grant of **Ksh. 814.06M** which translates to a monthly recurrent grants of **Ksh. 67.8M**.

The University Recurrent Expenditure is funded through government support and internally generated funds. The percentage of public funding for FY 2021/2022 comprises 68.7% whereas student related fees contribution is 29.7% and IGUs 1.6% as shown in table 1 below.

A) University Funding-Recurrent

University of Kabianga is funded by the Government of Kenya, tuition fees from students and IGU revenue.

Table 1: University Funding- Recurrent

	University Funding Level(Amounts &Percentage)					
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
GoK	610M (53%)	800M (64%)	778M (64%)	857M (72%)	780.5M (75%)	814M (68.7%)
Tuition Fees	514M (45%)	427M (30%)	412M (34%)	314.8M (26%)	244M (23%)	352M (29.7%)
IGUs	31M (2%)	31M (2%)	27M (2%)	18.5M (2%)	15.6M (2%)	18.3M (1.6%)
Total	1155(100%)	1285(100%)	1218(100%)	1190(100%)	1040(100%)	1185(100%)

The table shows that University of Kabianga is mainly funded by the Government of Kenya. However the revenue from the government reduced drastically from 75% in 2020/2021 to 68.7% in 2021/2022. Tuition fees from students also increased from 23% to 29.7% while revenue from income generating units decreased from 2% to 1.6%.

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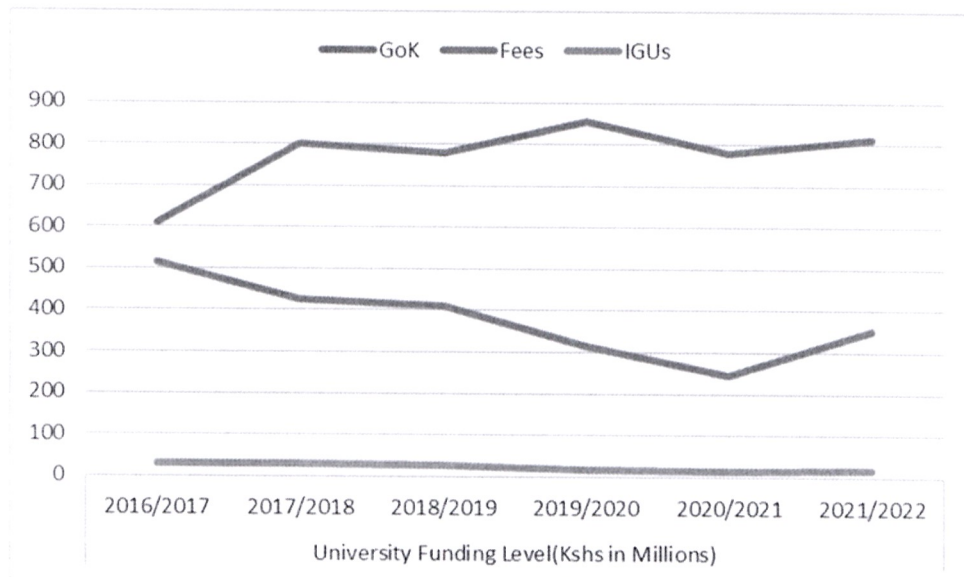


Figure 1: Graph Showing the University Funding in Percentage

B) University Funding-Capital Development

Capital Development expenditure is wholly funded by the Government, during FY 2021/2022 **Kshs 90M** was awarded for the on-going project and received as shown in table 2 below.

Table 2: University Funding- Capital Development

	University Funding (Kshs. Million)					
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Approved	250	214.43	224.3	150	143	90
Received	213	53.6	224.3	150	71.5	90
Difference	37	160.83	0	0	71.5	0

The above table shows that there are variations between the approved funds for capital development and the disbursed capital grants from Government of Kenya. The graphical presentation of the approval and received capital grant for the last 6 financial years from 2016/2017 to 2021/2022

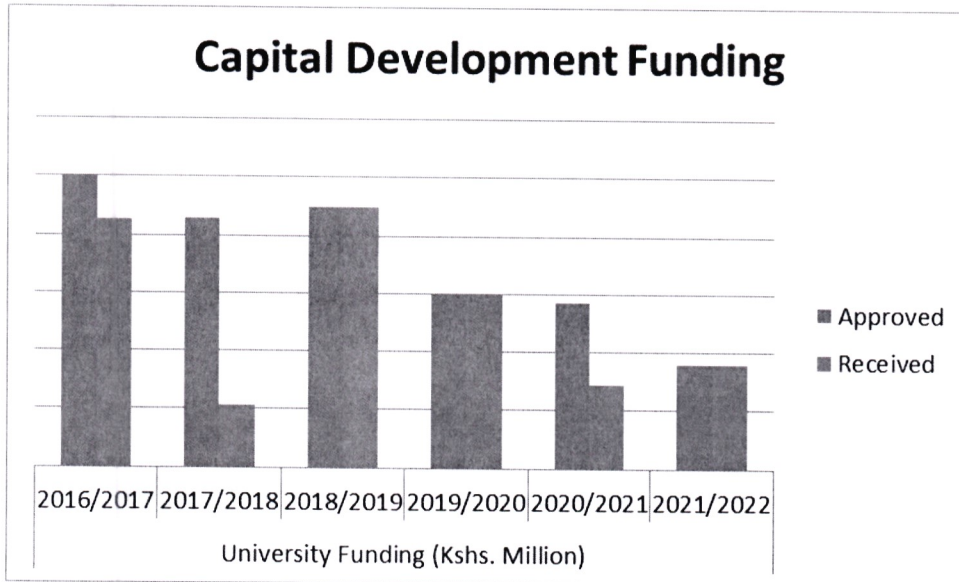


Figure 2: Graph Showing the University Capital Development Funding

C) Income and Expenditure.

The income and expenditure for the University for the last six financial years is as tabulated below.

Table 3: University Income and Expenditure

	Income and Expenditure					
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Income	1,154,834,826	1,421,942,339	1,217,520,959	1,190,432,713	1,040,136,969	1,184,572,071
Expenditure	1,179,931,330	1,484,528,194	1,291,785,823	1,318,825,524	1,158,642,826	1,365,654,890
Surplus/deficit	(25,096,504)	(62,585,855)	(74,264,864)	(127,949,811)	(118,505,857)	(181,082,819)

From the tabulated figures above, the income increased from kshs.1.04B in the FY 2020/2021 to 1.18B in the FY 2021/2022 while the expenditure increased from Ksh 1.16B to 1.36B within the same financial years. In general the accumulated surplus/deficit increased from Kshs. (25,096,504) in the FY 2016/2017 to Kshs. (181,082,819) in the FY 2021/2022.

Below is a graphical presentation of the income and expenditure for the last 6 financial years from 2016/2017 to 2021/2022.

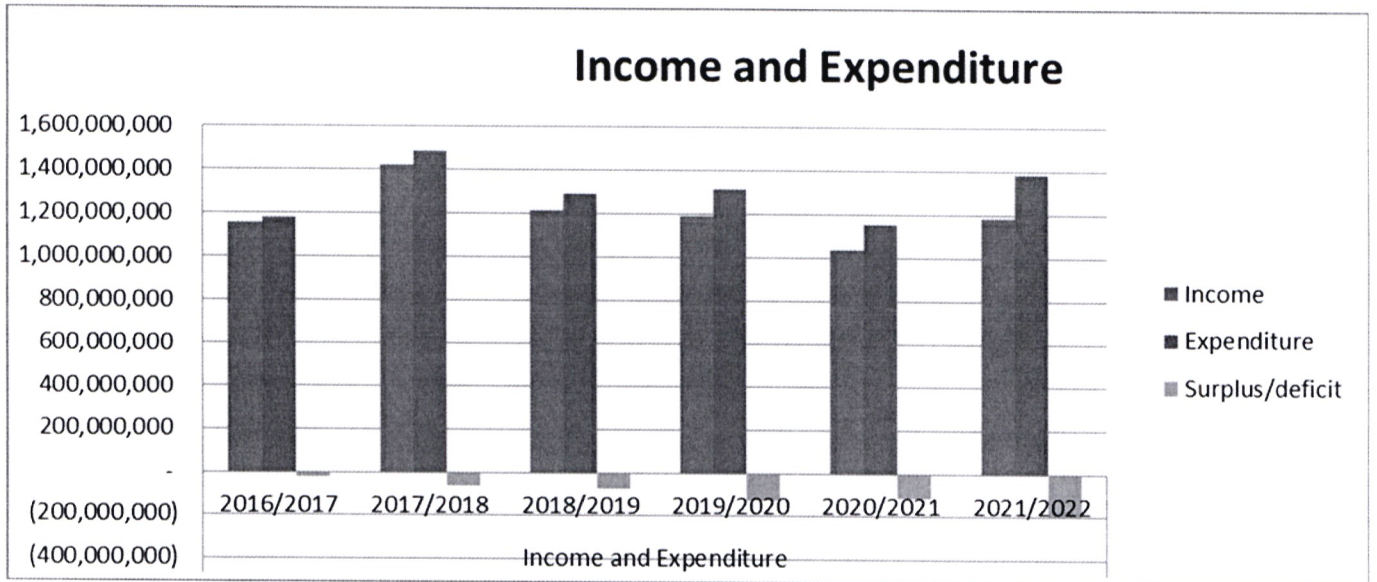


Figure 3: Income and Expenditure

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

University of Kabianga exists to transform lives. This is its purpose and the driving force behind everything the university does. It's what guides in the delivery of strategy, putting the customer first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

i) Sustainability strategy and profile

University of Kabianga has developed resource mobilization strategies to enhance sustainability with reference to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure. These strategies are anchored on optimizing financial resources, opportunities for new sources of revenue and the university support systems.

ii) Environmental performance

University of Kabianga has captured the emerging issues in the environment in the University strategic plan. The analyses will ensure that the university responds appropriately to emerging issues and position itself to contribute to the national strategy. The environmental policy guides the university in detailing the SWOT, PESTEL and stakeholder analysis. The university has put in efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

iii) Employee welfare

The University of Kabianga employee welfare is guided by Recruitment Policy, Diversity policy and Quality Management Systems (QMS). The Recruitment policy aims at ensuring effective recruitment and selection based on merit and proven performance.

The diversity policy embraces the constitution of Kenya (2010) principle that not more than two thirds of all staff appointed shall be of the same gender.

The quality management systems take in stakeholders' engagement by having the needs and job specifications originating from the specific departments to human resources, approvals being given by management and constitution of Shortlisting and Appointment Committees. These policies are reviewed every three years and as need arise.

University of Kabianga has a staff training and development policy which provides guidelines for enhancing efficiency and productive capacity of the University's human resources with the objective of assisting staff to gain competences and skills in preparation for more responsibilities and to prepare them for changes at UoK. The policy also provides to ensure that sufficient human resource is available to meet the University's requirements and needs by providing appropriate training and development opportunities to all staff. Staff members are encouraged to seek for these opportunities and employees' requests are promptly considered by the staff training and development committee in line with the budgetary provisions.

Additionally, the University has a performance management policy and conducts staff appraisal every financial year in accordance to guidelines on performance

management of public servants. Subsequently, performance evaluation reports are forwarded to management for consideration of recommended rewards and or sanctions which include but not limited to Commendation, Letter of appreciation, Promotion, Demotion, Training, Counselling, Extended period of probation.

University of Kabianga occupational safety and health policy outlines occupational safety Health and Environmental standards for all the employees of the University. It outlines the University's commitment towards ensuring that its activities are conducted in a healthy and safe environment in compliance with the provisions of the Constitution of Kenya, Occupational Safety and Health Act, 2007 (OSHA, 2007), the Employment Act, 2007 and the Work Injury Benefits Act, 2007 (WIBA) and related legal notices from time to time.

This policy outlines the responsibilities of the employer and the employees respectively towards ensuring safety and health at workplace. It covers the following areas: Housekeeping; Sanitary facilities; Workplace ventilation; Lighting system; Working under extreme weather conditions; First aid; Clean water; Occupational health check-ups; Safety; Working environment; Protective equipment and clothing; Smoking; Alcoholism and substance abuse and Waste disposal

iv) Market place practices-

The University has put in place efforts to manage the following market place practices:

a) Responsible competition practice.

University of Kabianga ensures responsible competition practices by implementing anti-corruption policy, automating university processes, upholding ethical practices

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in university operations, implementing whistle blowing policy. The university is also responsive to political involvement, fair competition and respect for competitors.

b) Responsible Supply chain and supplier relations

The University of Kabianga has continuously maintained good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices. This has been achieved through efficient procurement services and automation of procurement functions and operations.

c) Responsible marketing and advertisement

University of Kabianga has maintained ethical marketing practices in both advertisements on its products with strict adherence to ethical code of conduct.

d) Product stewardship

University of Kabianga safeguard consumer rights and interests through provision of high quality training, research and extension services that meets customer requirements. In pursuit of this commitment, the University complies with all applicable requirements and continually improve on its effectiveness by implementing a Quality Management System (QMS) based on ISO 9001:2015 standard

10. REPORT OF THE COUNCIL

The Council submits their reports together with the audited financial statements for the year ended 30th June, 2022 which show the state of affairs for the University of Kabianga.

Principal activities

The principal activities of the University are to continue offering Higher Education, Research and Extension services.

Results

The results of the University for the Year ended June 30, 2022 are set out on pages 1 to 5.

Members of Council

The Members of the Council who served during the Financial Year 2021/2022 are shown on pages xii-xv.

Auditors

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

By Order of the Council

**PROF. W.K KIPNGENO, MBS
VICE-CHANCELLOR**

DATE 28/04/2023

11. STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and Section 14 of the State Corporations Act Cap, 446 require the Council to prepare financial statements in respect of University of Kabianga, which give a true and fair view of the state of affairs of the University at the end of the financial year/period and the operating results of the University for that year/period. The Council Members are also required to ensure that the University keeps proper accounting records which disclose with reasonable accuracy the financial position of the University. The Council Members are also responsible for safeguarding the assets of the University.

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

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

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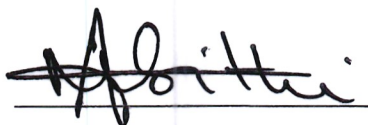
University's financial position as at that date. The Council Members further confirm the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial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

The statement of financial performance as indicated on page 1 shows a deficit **Ksh. 181,082,819**. All the receipt of income generated activities are as indicated in the financial statements.

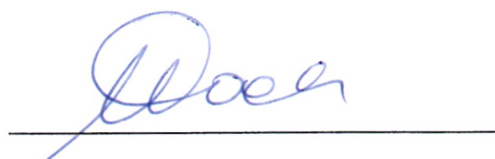
Nothing has come to the attention of the Council Members to indicate that the University will not remain a going concern for at least the next twelve months from the date of this statement.

APPROVAL OF THE FINANCIAL STATEMENTS

The University's financial statements were approved by Council on 29/9/2022 and signed on its behalf by:



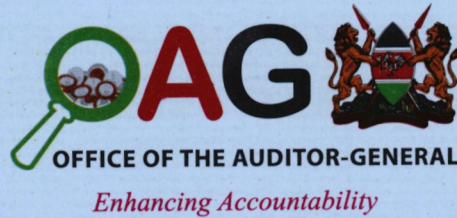
Dr. ADELAIDE M. MBITHI (HSC)
CHAIRMAN OF THE COUNCIL



PROF. WILSON K. KIPNGENO, MBS
VICE-CHANCELLOR

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NAIROBI

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

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution 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 the University of Kabianga set out on pages 1 to 42, which comprise the statement of Financial Position as at

30 June, 2022, statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the University of Kabianga as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Universities Act, 2012 and the Public Finance Management Act, 2012

Basis for Qualified Opinion

1.0. Payables from Exchange Transactions

The statement of financial position reflects payables from exchange transactions balance of Kshs.185,051,918 as disclosed in Note 24 to the financial statements. However, the following audit issues were noted:

1.1. Long Outstanding Payables

The balance of Kshs.185,051,918 includes salary creditors amount of Kshs.132,503,149 relating to pensions and other statutory deductions from employees, part of which had been outstanding since February, 2021. Management attributed the failure to remit the statutory and pensions deductions to lack of adequate finances from both the Government and internally generated sources. The continued non-remittance would occasion unwarranted penalties to the University. The penalties that had accrued as at 30 June, 2022 had not been quantified and factored as an expense and liability in the financial statements.

In addition, ledgers maintained by the University on staff creditors reflect monthly totals of creditors instead of individual staff creditor. Further, ageing analysis was not provided for audit.

In the circumstances, the completeness and accuracy of the reported salary creditors could not be confirmed.

1.2. Failure to Disclose a Related Party Bank Balance

The balance of Kshs.185,051,918 also includes recurrent creditors amount of Kshs.47,308,170. One of the recurrent creditors was an entity of the University with 25 invoices totalling to Kshs.529,715. However, the entity had been in existence for less than one year, and therefore had not prepared and presented financial statements to the Auditor-General for audit. However, the bank balance of the entity is not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2.0. Property, Plant and Equipment

The statement of financial position and as disclosed in Note 29 to the financial statements reflects property, plant and equipment balance of Kshs.2,290,073,052. However, the audit issues were noted:

2.1. Unconfirmed Accuracy of Retention Money on Work in Progress

The balance of Kshs.2,290,073,052 includes capital work in progress amount of Kshs.634,933,540 which should attract a 10% retention of Kshs.63,493,354 which, however, differs with the reported retention of Kshs.43,985,084. Management has explained that in some instances the retention was 5% as per agreement with contractors and not the 10% as indicated. However, Management did not explain how the basis for charging 5% was arrived at.

2.2. Unsupported Work-In-Progress

Further, work in progress register with details such as asset category, location of the asset, start date, expected completion date, percentage of completion, amount spent to date, class of assets transferred and dates of transfers if any, and balance of work in progress at the end of the year, supporting the work in progress balance of Kshs.634,933,540, was not provided for audit.

In the circumstances, the accuracy of the work-in-progress amount Kshs.634,933,540 could not be confirmed.

3.0. Unreconciled Student Data with Tuition Fees

The statement of financial performance reflects tuition fees amount of Kshs.223,100,742. However, review of records revealed that the University did not reconcile its enrolment data for the year with the billed data/income ledgers for the year. As a result, it was not possible to match the revenues with the number of students at any given time.

In the circumstances, the accuracy and completeness of the disclosed tuition fees of Kshs.223,100,742 could not be confirmed.

4.0. Offset of bank account balances

The statement of financial position reflects cash and cash equivalent balance of Kshs.55,612,223 which, as disclosed in Note 20 to the financial statements, includes an overdraft of Kshs.45,310,312 relating to one of the bank accounts listed, which is offset against the positive balances of the other bank accounts. However, no right of set off of bank balances was provided for audit. Further, paragraph 48 of the International Public Sector Accounting Standards (IPSAS) prohibits offsetting of assets and liabilities unless required or permitted by an IPSAS.

5.0. Material Uncertainty Related to sustainability of services

The statement of financial position reflects current assets and current liabilities balances of Kshs.133,788,202 and Kshs.599,705,205 respectively, resulting to a negative working capital of Kshs.465,917,003. Further the University recorded a deficit of Kshs.181,082,819 for the year and accumulated deficit of Kshs.565,227,571 as at 30 June, 2022. However, Management did not make any disclosure on the face of the financial statements or in the Notes to the financial statements of the material fact that the University may not continue to sustain its services in the foreseeable future and the mitigating measures put in place by the university to reverse the above situation.

The University's financial statements have been prepared on a sustainability of services basis on the assumption that, it will continue to receive financial support from the Government, bankers and creditors.

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

Key Audit Matters

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

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 matter 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

Delayed Completion of University Library and Irregular Extension of Contract

Review of the contract for the construction of a library revealed that the University awarded the contract at a sum of Kshs.834,523,967. The contract commencement date was 08 June, 2017 and completion date were supposed to be 04 June, 2020 which was extended to 02 September, 2022. Further, the contract was extended on

06 October, 2022 with a completion date of 02 September, 2022 which was already past at the time of extension.

In addition, the contractor requested for contract extension on 29 June, 2022, while the contract had lapsed on 04 June, 2020, which was more than two years past. Audit inspection of the project carried out on 1 February, 2023 revealed that although the contractor was on site, the project had not been completed as per the contractual terms. There were no project progress reports to enable comparison of amounts paid against the certified work as at the end of the year. Management did not explain the basis of extending an already lapsed contract, neither were there committee minutes and professional opinion to support the extension of the contract.

In the circumstances the University use of public resources was not efficient and effective.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 May, 2023


13. STATEMENT OF FINANCIAL PERFORMANCE

University of Kabianga
Statement of Financial Performance
for the Year Ended June 30, 2022


	Note	2021-2022 Kshs	2020-2021 Kshs
Revenue from non-exchange transactions			
Exchequer Grants	6	814,061,889	780,546,188
Revenue from exchange transactions			
Tuition fees	7(a)	223,100,742	159,121,250
Tuition related Income	(b)	129,064,515	84,910,735
Rendering of Services	8	10,841,877	13,709,016
Finance Income- Interest on Deposits	9	-	-
Income from facilities and equipment	10	1,641,540	21,200
Other Income	11	5,861,509	1,828,580
Total Revenue		1,184,572,071	1,040,136,969
Expenses			
Employee Costs	12	1,064,081,551	919,181,680
Remuneration of Council members	13	12,182,415	7,236,175
Depreciation and Amortization Expense	14	42,086,350	64,808,560
Repairs and Maintenance Expense	15	13,591,128	6,108,631
Use of Goods Expense	16	200,888,319	131,755,965
Marketing Expenses	17	5,102,591	1,807,200
Contracted Services	18	4,592,200	4,185,600
Finance Costs	19	23,130,336	24,534,624
Total Expenditure		1,365,654,890	1,159,618,435
Surplus/ (Deficit)		(181,082,819)	(119,481,466)

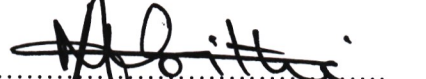
The notes set out from pages 9 to 42 form an integral part of these Financial Statements

The Financial Statements set out on pages 1 to 5 were signed on behalf of the University Council by:


.....
VICE-CHANCELLOR
PROF. W.K. KIPNGENO

Date 28/4/2023.....


.....
HEAD OF FINANCE
CPA WILLY K KOECH
ICPAK NO. 9696
Date 28/4/2023.....



.....
CHAIRMAN OF THE COUNCIL
DR. ADELAIDE M. MBITHI
Date 28/4/2023.....

14. STATEMENT OF FINANCIAL POSITION


University of Kabianga
Statement of Financial Position
as at June 30, 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
Current Assets			
Cash & Cash equivalents	20	55,612,223	83,175,846
Receivables from non-exchange transactions		-	-
Receivables from exchange transactions	21	77,091,363	82,026,329
Inventories	22	1,084,617	4,387,737
Total Current Assets		133,788,202	169,589,912
Non- current Assets			
Property, Plant & Equipment	29	2,290,073,052	2,221,030,860
Biological Assets	23	44,871,847	45,388,380
Total Non- current Assets		2,334,944,899	2,266,419,240
Total Assets		2,468,733,102	2,436,009,152
Liabilities			
Current Liabilities			
Payables from exchange transactions	24	185,051,918	97,167,081
Refundable Deposits and Prepayments from Customers	25	117,885,712	123,667,856
Current Provisions	26	237,782,492	220,125,614
Retention- WIP	27	43,985,084	51,709,481
Co-operative Bank Loan	28	15,000,000	15,000,000
		599,705,205	507,670,032
Non-Current Liabilities			
Co-operative Bank Loan (20yrs)	28	148,750,000	163,750,000
Total liabilities		748,455,205	671,420,032
Net assets			
Capital Reserves		1,843,216,685	1,753,216,685
Revaluation Reserve		541,265,947	395,517,187
Accumulated Surplus		(664,204,735)	(384,144,752)
Total Net Assets		1,720,277,897	1,764,589,120
Total net assets and liabilities		2,468,733,102	2,436,009,152

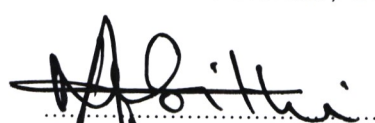
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PROF. W.K. KIPNGENO

Date: 28/4/2023


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HEAD OF FINANCE
CPA WILLY K KOECH
ICPAK NO. 9696

Date: 28/4/2023


.....
CHAIRMAN OF THE COUNCIL
DR. ADELAIDE M. MBITHI

Date: 28/4/2023

15. STATEMENT OF CHANGES IN NET ASSETS

University of Kabianga
Statement of Changes in Net Assets
For the Year Ended June 30,2022

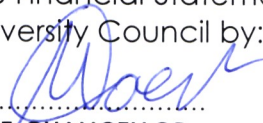
	Capital Fund Ksh	Revaluation Reserves Ksh	Revenue Reserves Ksh	Total Reserves Ksh
At July 1, 2020	1,681,686,241	395,193,337	-264,663,286	1,812,216,292
Surplus/Deficit for the year	-	-	-119,481,466	-119,481,466
Revaluation of Assets	-	-	-	-
Biological	-	323,850	-	323,850
Capital Grants	71,530,444.00	-	-	71,530,444
At June 30, 2021	1,753,216,685	395,517,187	-384,144,752	1,764,589,120
At July 1, 2021	1,753,216,685	395,517,187	-384,144,752	1,764,589,120
Surplus/Deficit for the year	-	-	-181,082,819	-181,082,819
Revaluation of Assets	-	145,748,760	-98,460,631	47,288,129
Biological	-	-	-516,533	-516,533
Capital Grants	90,000,000.00	-	-	90,000,000
At June 30, 2022	1,843,216,685	541,265,947	-664,204,735	1,720,277,897

16. CASHFLOW STATEMENT

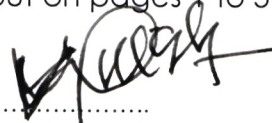
University of Kabianga
Cash flow Statement
for the Year Ended June 30, 2022

	2021-2022	2020-2021
	Kshs	Kshs
Cash Flow From Operating Activities:		
Receipts		
Exchequer Grants	814,061,889	881,093,288
Tuition fees	313,191,496	239,730,098
Rendering of Services	10,841,877	13,709,016
Finance Income- Interest on Deposits	0	0
Rental Income from Facilities and Equipment	1,641,540	21,200
Other Income	5,861,509	1,828,580
	1,145,598,310	1,136,382,182
Payments		
Employee Costs	991,393,570	959,913,612
Remuneration of Council Members	12,182,415	7,236,175
Repairs and Maintenance	13,591,128	6,108,631
Use of Goods and Services	186,341,475	103,897,318
Marketing Expenses	5,102,591	1,807,200
Contracted Services	4,592,200	3,833,600
Finance Costs	23,130,336	24,534,624
	1,236,333,715	1,107,331,160
Net Cash flows from Operating Activities	(90,735,405)	29,051,022
Cash Flows from Investing Activities		
Purchase of Property, Plant & Equipment	(58,599,815)	(63,426,127)
Net cash flows used in Investing activities	(58,599,815)	(63,426,127)
Cash flows from Financing activities		
Government Grants – Capital	90,000,000	71,530,444
Increase (Decrease) in Revaluation Reserve	46,771,596	323,850
Repayment of borrowings	(15,000,000)	(15,000,000)
Net Cash flows from Financing activities	121,771,596	56,854,294
Net Increase / (Decrease) In Cash & Cash Equivalents	(27,563,624)	22,479,189
Cash & Cash Equivalents at Beginning of the year	83,175,846	60,696,657
Cash & Cash Equivalents at End of the year	55,612,222	83,175,846

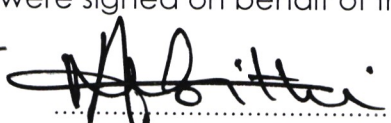
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VICE-CHANCELLOR
PROF. W.K. KIPNGENO

Date: 28/4/2023


HEAD OF FINANCE
CPA WILLY K KOECH

ICPAK NO 9696
Date: 28/4/2023


CHAIRMAN OF THE COUNCIL
DR. ADELAIDE M. MBITHI

Date: 28/4/2023

17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL PERFORMANCE

UNIVERSITY OF KABIANGA STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS for the year Ended June 30, 2022

	Original annual budget A Kshs	Adjustments b Kshs.	Final annual budget C=a+b Kshs.	Actual expenditure d Kshs	Variance e=d-c Kshs.
REVENUE					
Revenue from non-exchange transactions					
Exchequer Grants – Recurrent	811,015,007.00	-	811,015,007.00	814,061,889.00	3,046,882.00
Exchequer Grants - Capital Dev.	90,000,000.00	-	90,000,000.00	90,000,000.00	-
Sub-Total	901,015,007.00	-	901,015,007.00	904,061,889.00	3,046,882.00
Revenue from exchange transactions					
Tuition fees	237,753,600.00	-	237,753,600.00	223,100,742.00	(14,652,858.00)
Tuition related Income	93,201,717.00	-	93,201,717.00	129,064,515.00	35,862,798.00
Rendering of Services	15,603,674.00	-	15,603,674.00	10,841,876.72	(4,761,797.28)
Income from facilities and equipment	86,120.00	-	86,120.00	1,641,540.00	1,555,420.00
Research Grants	1,500,000.00	-	1,500,000.00	-	(1,500,000.00)
Short Courses	1,500,000.00	-	1,500,000.00	-	(1,500,000.00)
Endowment Fund	2,500,000.00	-	2,500,000.00	-	(2,500,000.00)
Other Income	2,913,880.00	-	2,913,880.00	5,861,508.52	2,947,628.52
Sub-Total	355,058,991.00	-	355,058,991.00	370,510,182.24	15,451,191.24
Total Revenue	1,256,073,998.00	-	1,256,063,999.00	1,274,572,071.24	18,498,073.24
Expenses					
Employee Costs	1,002,759,550.00	-	1,002,759,550.00	1,064,081,551.00	(61,322,001.00)
Remuneration of Council members	8,000,000.00	-	8,000,000.00	12,182,415.00	(4,182,415.00)
Repairs and Maintenance Expense	5,400,000.00	-	5,400,000.00	13,591,127.81	(8,191,127.81)
Use of Goods and Services	123,154,449.00	-	123,154,449.00	200,888,319.00	(77,733,870.00)
Contracted Services	2,200,000.00	-	2,200,000.00	4,592,200.00	(2,392,200.00)
Marketing Expenses	1,900,000.00	-	1,900,000.00	5,102,591.00	(3,202,591.00)
Finance Costs	15,000,000.00	-	15,000,000.00	23,130,336.35	(8,130,336.35)
Non-Current assets	7,650,000.00	-	7,650,000.00	4,743,004.00	2,906,996.00
Capital Dev. Projects	90,000,000.00	-	90,000,000.00	57,303,964.19	32,696,035.81
Total Expenditure	1,256,073,999.00	-	1,256,063,999.00	1,385,615,508.35	(129,551,509.35)
Surplus/ (Deficit)				(111,043,437.11)	(111,043,437.11)

BUDGET NOTES

EXPLANATION OF MATERIAL VARIANCE

The following are the explanations on the material variances to the budget versus actual performance.

Tuition Fees – Kshs (14,652,858)

The Tuition fee collection in the year is Kshs 223M up from the FY 2020/2021 collections of 159M. This is attributed to strict adherence to fee payment policy as well as adherence to the adjusted University calendar/almanac that ensured that any time lost during the Corona Period is recovered.

The fee collections in general is less than the budget figure by 14.6M. The negative variance of Kshs 14.6M was not achieved as a result of students who deferred their courses due to the harsh economic condition affected by the Covid 19 pandemic

Tuition-related Income – Ksh. 35,863,698

This category of income includes registration fees, students ID Charges, Examination fees, Insurance fees, Activity fees, Computer fees and Internet fees. These charges had favourable variance since most of these charges are picked by the system as a mandatory item in the structure and must be cleared before tuition fees.

Rendering of Services – Ksh. (4,761,797)

This class of income includes Accommodation fees, Farm Income, Catering Services and Guesthouse income. The negative variance on this income arose as a result of the drop in the number of students who reside inside the University Hostels, consequently food sales dropped and also as a result of being away it contributed to decrease in Catering revenue.

Employee Costs – Ksh. (61,322,001)

There is an unfavourable variance of Ksh **61,322,001**. The unfavorable variance arose as a result of budgeting for the part time claims under the vote as well as full implementation of the negotiated 2017-2021 CBA during the financial year. The negative variance is attributed to very high rationalization of the budget by the government. The capitation from the Government cannot pay the employee

costs. There is need for the government to fully implement the differentiated Unit Cost (DUC) formula as it is being implemented at 49%

Repairs and Maintenance Expense Ksh. 8,191,128

There was an unfavourable variance of **Kshs. 8,191,128** as a result of increased vehicle maintenance costs due to high fuel import prices and the war in Ukraine that led increase in cost of food prices.

The implementation of the Ministry of Health Covid protocols requirements after the resumption of physical learning in the University also contributed to the unfavourable variance.

Use of Goods and Services Kshs.77, 733,870

There was an unfavourable variance of **Kshs. 77,733,870** as a result of increased cost of commodities due to inflation witnessed during the financial year.

The cost of the electricity vote almost doubled as a result of continued increase in the generator diesel prices. The implementation of the Ministry of Health Covid protocols requirements after the resumption of physical learning in the University also contributed to the unfavourable variance.

Marketing Expenses Ksh. (3,202,591)

There was an unfavourable variance of **Kshs. 3,202,591** as a result of increase in cost of commodities due to inflation witnessed during the financial year.

Finance Costs – Kshs. (8,130,336)

This component includes principal and interest repayment of the bank loan and bank charges. This unfavourable variance is due to the rationalization of the budget for the financial 2021-2022.

Non-current assets – Kshs. 2,906,996

These are items of capital nature whose procurement process is long. The favourable variance recorded is a result of deferred procurement of capital items. The increasing prices of commodities affected the supplies due to suppliers un-

willing to supply items as a result of unpredictable prices towards the end of the financial year

Capital Development projects expenditure – Kshs.32, 696,034

The favourable variance is attributable to payment of certificates for the works on the on-going development projects currently being undertaken by the university as a result of the University receiving all its funds allocated by the State Department of University Education. The contractor was not able to absorb all the allocated funds before the end of the financial year.

Explanation of changes between original and final budget

During the financial year 2021/2022 the university operated only the original budget. No changes were effected and therefore the original budget is the final budget

RECONCILIATION OF THE STATEMENT OF BUDGET AND ACTUAL AMOUNTS WITH THE STATEMENT OF FINANCIAL PERFORMANCE

1. The statement of comparison of budget and actual amounts includes amounts budgeted for non-current assets included in the recurrent budget of **Ksh. 7.65 M** and the capital development budget of **Ksh.90 M**.
2. Finance costs in the statement of comparison of budget and actual amounts include the repayment of principal loan of **Ksh.15 M**.

18. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

University of Kabianga is established by and derives its authority and accountability from charter vide University Act 2012. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer University education and training to appropriately qualified candidates, leading to the conferment of degrees and award of diplomas and certificates.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION IPSAS 1

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 judgment 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.

University of Kabianga financial statements have been prepared in accordance with the PFM Act, the state Corporations Act and the International Public Sector Accounting Standards (IPSAS). The accounting policies have been consistently applied to all the years presented.

3. ADOPTION OF NEW AND REVISED STANDARDS.

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

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

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

IPSAS 41: Financial Instruments	Applicable: 1st January 2023:
	<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

Standard	Effective date and impact:
	<p>between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</p> <p>(State the impact of the standard to the Entity if relevant)</p>
<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> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p> <p>(State the impact of the standard to the Entity if relevant)</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p>

	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>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.</p> <p>(State the impact of the standard to the Entity if relevant)</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>State the impact of the standard to the Entity if relevant</p>
<p>IPSAS 43</p>	<p>Applicable 1st January 2025</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</p>

	<p>have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>State the impact of the standard to the Entity if relevant</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>State the impact of the standard to the Entity if relevant</p>

iii. Early adoption of standards

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

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 eco-

conomic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest Income

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

Rental Income

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

b) Budget Information

The original budget for FY 2021-2022 was approved by the National Assembly on June 2022. 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 entity upon receiving the respective approvals in order to conclude the final budget. However, the entity did not record any additional appropriations of in the FY 2021-2022 budget.

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 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 the Statement of comparison of budget and actual performance these financial statements.

c) Taxes

Current income tax

The University is exempted from taxation under the first schedule of the income tax Act Cap 470.

d) Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

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

e) Property, plant and equipment

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

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 are subjected to a full year's depreciation.

The annual depreciation rates in use are:

Building	2%
Furniture, plant and equipment	12.5%
Motor Vehicles	25%
Library books	10%
Computers	33.3%

Freehold land is not depreciated as it is deemed to have an infinite life.

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the in-

ception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

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

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

g) Intangible assets

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

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

h) Biological assets

Biological assets are revalued yearly as per the policy of the University. Professional valuer is engaged to value the biological assets at the end of the financial year. Market values are taken into consideration by carrying out market survey.

1) Research and development costs

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

1) Financial Instruments

Financial Assets

Initial recognition and measurement

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

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and

fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

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

j) Inventories

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

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

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

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

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

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

k) Provisions

Provisions are recognized when the 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. A provision of 5% of the total receivables has been provided to take care of receivables which may not be recovered in full.

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.

Contingent liabilities

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

Contingent assets

The University does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the 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.

l) Nature and purpose of reserves

The university creates and maintains reserves in terms of specific requirements as follows: (i) capital reserve – used to record contribution made by government in form of grants / transfers (ii) revaluation reserve – used to indicate the revalued amount on the plant property and equipment.

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

The University provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

o) 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.

p) 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.

q) Related parties – IPSAS 20

University of Kabianga 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 the University Council and Management.

r) Service concession arrangements

The University analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Entity recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than

'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

s) Investment policy

Any excess/idle funds should be invested in short-term treasury bills/bonds or commercial banks Fixed deposits (FDR) as per the central bank guidelines.

t) Capital Funds Retention policy

All capital development projects shall attract a retention fee of 10% which shall be deposited to Kenya Commercial bank retention account and shall be paid to the contractor upon completion of the project.

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.

w) Comparative figures

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

x) Subsequent events

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

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the 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.

Estimates and assumptions

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

Useful lives and residual values

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

- i. The condition of the asset based on the assessment of experts employed by the Entity
- ii. The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- iii. The nature of the processes in which the asset is deployed
- iv. Availability of funding to replace the asset
- v. 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

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.

NOTES TO THE FINANCIAL STATEMENTS CONT'**Note 6: Exchequer Grants- Recurrent**

Description	2021-2022 Kshs	2020-2021 Kshs
Unconditional grants		
Ministry of Education		
July	67,584,584	65,045,516
August	67,584,584	65,045,516
September	67,584,583	65,045,515
October	67,584,584	65,045,516
November	67,584,584	65,045,516
December	67,584,584	65,045,515
January	67,584,584	65,045,516
February	67,584,584	65,045,516
March	67,584,584	65,045,515
April	67,584,584	65,045,516
May	69,108,025	65,045,516
June	69,108,025	65,045,515
Total Recurrent Received to Date	814,061,889	780,546,188

Note 7 : Tuition and Related Income

Description	2021-2022 Kshs	2020-2021 Kshs
a) Revenue from Tuition Fees	223,100,742	159,121,250
	223,100,742	159,121,250
b) Tuition Related Income		
Registration fees	2,227,100	204,100
Students' ID charges	1,811,550	1,084,100
Examination fees	12,453,000	7,257,900
Insurance fees	1,096,000	938,000
Graduation Fees	9,289,765	6,867,500
Activity fees	9,398,500	6,902,400
Computer fees	7,347,000	5,138,000
Field trips/Teaching Practice	18,952,200	15,323,500
Internet fees	13,311,000	6,766,500
MBA Thesis	2,050,000	1,055,000
Supervision	2,280,000	1,236,900
Medical fees	12,494,600	9,008,500
Amenity fees	9,293,500	6,017,500
Cobes	1,765,500	699,000
Research Fees	48,100	74,000
Practical Manual & 3 Log Books		-

Transport Fees	2,526,500	1,346,500
UoKSO	2,334,000	1,794,600
Library Fees	9,678,000	5,995,035
Supplementary Exams	547,700	696,800
Clinical Placement fee	912,000	291,000
Community Diagnosis	800,000	284,000
Exposures	1,800,000	1,649,000
Quality Assurance Fee	2,282,500	2,008,000
Special Rotation - Accommodation	392,000	168,400
Clinical Assessment Fee	3,974,000	2,104,500
Sub-Total	129,064,515	84,910,735
	352,165,257	244,031,985

Note 8: Rendering of Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Accommodation Services	7,046,800	7,209,000
Farm income	1,770,783	2,374,286
Catering Services	1,250,809	1,182,185
Guest House income	719,620	2,743,710
Fruit Juice	53,865	199,835
	10,841,877	13,709,016

Note 9: Finance Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest on Fixed Deposits	-	-
	-	-

Note 10 Income From Facilities

Description	2021-2022	2020-2021
	Kshs	Kshs
Income from Facilities	1,641,540	21,200
	1,641,540	21,200

Note 11: Other Incomes

Description	2021-2022	2020-2021
	Kshs	Kshs
Book Shop Sales	9,052	35,373
Photocopying/Sale of tender documents	5,500	16,000
Application fees	530,500	386,900
Fines and penalties	374,687	146,640
Seedlings	8,765	3,500

Hospitality Restaurant Unit	-	-
Misc. Income	250,225	327,280
Examination Retake	320,000	744,000
UoKSO Nomination Fees	23,700	-
Transcript Correction/Replacement	152,600	73,600
Remarking	6,000	18,000
Water Bill	41,655	1,000
Kapkatet Morgue Services	10,000	2,000
Valuation/Consultancy	1,749,000	-
Endowment Fund	1,136,867	-
Lost Books	24,353	11,587
Hire of Gowns	619,200	57,000
UOK Annual Cross Country Income	-	-
UOK Annual Conference	-	-
Decrease in provision for bad debts	259,735	-
Administrative Income	339,670	
Short Courses Training	-	5,700
	5,861,509	1,828,580

Note 12: Employee Costs

Description	2021-2022 Kshs	2020-2021 Kshs
Salaries and Wages	648,478,306	489,036,047
Employee related Costs- Contribution to pension	74,235,811	90,260,439
Commuter/ car Allowance/other Allowances	107,026,077	104,346,894
House Allowance	234,341,357	235,538,300
Employee costs	1,064,081,551	919,181,680

Note 13: Remuneration of Council members

Description	2021-2022 Kshs	2020-2021 Kshs
Chancellor's Honoraria	-	-
Chairman's Honoraria	1,020,000	680,000
Council Allowance	7,091,430	3,373,660
Travelling and Accommodation Allowances	4,070,985	3,182,515
Total Council emoluments	12,182,415	7,236,175

Note 14: Depreciation and Amortization Expense

Description	2021-2022 Kshs	2020-2021 Kshs
Property, Plant and Equipment	42,086,350	64,808,560
Total Depreciation and Armotization	42,086,350	64,808,560

Note 15: Repairs and Maintenance Expense

Description	2021-2022 Kshs	2020-2021 Kshs
Maintenance of Catering and Hostels	230,434	-
Maintenance of plant and equipment	988,594	426,093
Maintenance of Water supply & Sewerage	827,622	1,223,308
Maintenance of Buildings	563,333	873,041
Maintenance of Play Grounds	127,015	43,200
Vehicle running expenses	9,718,112	3,542,989
Maintenance of Computers & Copiers	1,136,018	-
Total Repairs and Maintenance	13,591,128	6,108,631

Description	2021-2022 Kshs	2020-2021 Kshs
Recruitment/Training Expenses	-	-
Senate Committee meetings	194,280	-
Cleaning materials	370,375	124,850
Conferences and seminars	869,775	95,000
Electricity, water and conservancy	10,635,180	10,604,340
External examiners expenses	2,553,676	1,746,955
External Travelling Expenses	-	-
Graduation Expenses	7,239,142	3,302,593
Strategic Plan Implementation	934,525	-
ISO related Expenses	656,408	292,088
Insurance Expenses	3,686,776	7,585,180
Internet connectivity expenses	19,932,575	17,474,464
Legal & Other Expenses	5,113,308	1,200,000
Library Journals	381,873	2,257,041
Medical Drugs	1,718,598	634,895
Meetings & Workshops	2,084,514	708,851
Bsc Nursing Training Files and Indexing Expenses	-	-
Minor works on water & sewerage	237,619	138,991
Office Expenses	1,669,249	1,249,533
Official entertainment	-	19,922
Open & Cultural Day Expenses	305,800	-
Payment of Rent & Rates	24,579,299	13,545,080
Purchase of uniforms	-	-
Teaching materials	1,485,330	304,845
Telephones	3,914,990	3,535,060
Travelling and accommodation	9,746,373	5,229,932
University medical scheme	14,175,199	19,112,029
University Research Programme	2,769,555	1,794,060

Valuation/Consultancy	2,779,400	4,224,163
Works Study programme	242,350	-
Farm Expenses	100,500	257,360
Games and sports expenses	30,000	-
Guest house expenses	762,162	1,412,910
Kitchen Expenses	3,842,120	3,062,740
Bookshop Expenses	23,750	29,140
Fruit Juice processing plant	401,695	169,849
UoKSO Welfare	1,688,590	585,460
Lab Chemicals	879,640	739,061
Postal and telegram	46,560	63,734
Student Activities	3,346,601	167,678
Student Field Trips/Courses Expenses	11,289,475	1,014,703
Academic Programmes Development & Accreditation	1,119,200	1,695,000
Inter-University Games	610,420	227,280
KUCCPS and Quality assurance charges	1,274,000	3,314,000
Teaching Practice & Attachment	14,221,605	9,194,225
Performance contract Expenses	499,700	440,012
Stationery	7,768,439	3,266,605
Audit fee	696,000	696,000
Academic Scholarship	-	-
Community Based Education Service(COBES)	2,921,694	547,790
Dev. Project Consultancy Fees	-	-
External Research Grants Expenses	14,121,303	5,210,632
Increase in provision for bad debt	-	215,094
Decrease in inventories	3,303,120	1,743,729
Collaboration & linkages	46,500	
Students ID charges	-	-
ICT Systems,Compliance &legal audit	26,100	-
Bench fee Expense	41,000	-
COVID-19 Expenses	795,765	1,139,851
Supervision Expenses(students)	102,550	202,500
Clinical Placement & Assessment	7,765,461	-
Community placement,diagnosis &Rotation	2,176,900	-
Staff Development	2,711,300	1,180,740
Total Use of Goods and Services	200,888,319	131,755,965

Note 17: Marketing Expenses

Description	2021-2022 Kshs	2020-2021 Ksh
Publishing and Printing	817,500	1,147,830

Advertising & Publicity	4,080,511	659,370
Marketing & Outreach Expenses	204,580	-
UoK Annual Cross Country Event	-	-
Total Marketing Expenses	5,102,591	1,807,200

Note 18: Contracted Services

Description	2021-2022 Kshs	2020-2021 Kshs
Contract/Outsourced Services	4,592,200	4,185,600
Total Contracted Services	4,592,200	4,185,600

Note 19: Finance Costs

Description	2021-2022 Kshs	2020-2021 Kshs
Interest on Loan	21,486,301	23,361,597
Bank Charges	1,644,035	1,173,027
Total Finance Costs	23,130,336	24,534,624

Note 29(a): Revaluation loss

Description	2021-2022 Kshs	2020-2021 Kshs
Buildings	85,971,467	-
Furniture & Fittings	555,808	-
Library Books	11,933,356	-
Biological Assets	516,533	-
Total Revaluation Loss	98,977,164	-

Note 29(b): Revaluation gain

Description	2021-2022 Kshs	2020-2021 Kshs
Land	137,100,000	-
Plant and Equipment	2,832,062	-
Motor Vehicles	5,816,698	-
Total Revaluation gain	145,748,760	-

Note 20: Cash and Cash Equivalents

Description	2021-2022	2020-2021
		KShs
Current account	55,612,223	83,175,846
On - call deposits		-
Fixed deposits account		-
Staff car loan/ mortgage		-

Others(specify)			-
Total cash and cash equivalents		55,612,223	83,175,846

Note 20: Cash and Cash Equivalents

Description	Account number	2021-2022 Kshs	2020-2021 Kshs
Kenya Commercial Bank (Pssp)	1120671418		4,720,930
Kenya Commercial Bank(Gssp)	1120671299	1,793,103	1,205,266
Kenya Commercial Bank (Accom.)	1120671450	106,480	133,819
Co-operative Bank of Kenya(Pssp)	01129335586400	11,833	2,357,127
Co-operative Bank of Kenya(Gssp)	01129335586400	731,092	2,656,161
Co-operative Bank of Kenya Operations A/C	01129046214700	808,438	
Co-operative Bank of Kenya Capital Dev. A/C	01120335586400	(45,310,312)	(3,333,043)
Stanchart (Gssp)	0102832991700	52,850,006	21,161,415
Stanchart (Pssp)	0102832991701	58,350	358,350
Stanchart Research Account	0102832991702	91,076	291,076
Equity Bank (Gssp)	0530271957342	112,594	1,857,414
Equity Bank (Pssp)	0530271957475	303,808	334,995
Kenya Commercial Bank (Retention A/C)	1207008966	77,377	1,374,448
		43,978,379	50,057,888
		55,612,223	83,175,846

Note 21(a): Receivables from Non Exchange Transactions

Description	2021-2022 Kshs	2020-2021 Ksh
Exchequer grants-Recurrent	-	-

Note 21(b): Receivables from Exchange Transactions

Description	2021-2022 Kshs	2020-2021 Ksh
Student fees debtors	81,148,803	86,343,504
Provision for doubtful Debts	(4,057,440)	(4,317,175)
Total Receivables	77,091,363	82,026,329

Note 22: Inventories

Description	2021-2022	2020-2021
	Kshs	Ksh
Inventories- Consumable stores	1,084,617	4,387,737
Total Inventories	1,084,617	4,387,737

Note 23: Biological Assets

Description	2021-2022	2020-2021
	Kshs	Ksh
Tea	3,325,297	3,263,930
Livestock	3,739,700	4,287,800
Cypress Trees	5,257,700	5,275,100
Pine Trees	435,000	435,000
Eucalyptus Trees	27,239,350	27,239,350
Gravillea Trees	4,669,000	4,669,000
Macademia Nut Trees	49,000	49,000
Bananas	156,800	169,200
Total Biological Assets	44,871,847	45,388,380

Note 24: Payables from exchange

Description	2021-2022	2020-2021
	Kshs	Ksh
Recurrent Creditors	47,308,170	32,761,326
Capital Creditors	5,240,599	4,590,587
Salary creditors	132,503,149	59,815,168
Total Payables from Exchange Transactions	185,051,918	97,167,081

Note 25: Refundable Deposits and Prepayments from Customers

Description	2021-2022	2020-2021
	Kshs	Ksh
Caution Money	9,838,850	7,761,850
KUCCPS fees	16,450,350	13,542,850
Room Deposit	4,980,050	4,515,550
Insurance death benefits	1,227,762	-
Student field trips and attachment	5,462,302	11,109,182
Research funds from donors	9,133,120	18,867,574
Prepaid fees	70,793,278	67,870,850
Total Refundable Deposits	117,885,712	123,667,856

Note 26: Current Provisions

Description	2021-2022	2020-2021
	Kshs	Ksh
Part-time lecturers	234,561,992	215,537,614
Provision for audit fees	2,088,000	2,088,000
Provision for Valuation & Consultancy	1,132,500	2,500,000
Total Current Provisions	237,782,492	220,125,614

Note 27: Retention

Description	2021-2022	2020-2021
Retention- WIP	Kshs	Ksh
Lecture Phase III	550,933	550,933
Lecture Phase II	3,154,791	3,154,791
Hostel Phase II	1,006,071	1,006,071
Health Unit 1	-	-
Library	30,205,973	30,205,973
Lecture Theatre Phase IV	7,719,398	15,438,795
Pineapple juice plant- Changing rooms	119,283	124,283
ICT Infrastructure	-	-
Dining hall	1,126,917	1,126,917
Staff Toilets	101,718	101,718
	43,985,084	51,709,481

Note 28: Borrowings

Description	2021-2022	2020-2021
	Kshs	Ksh
Co-operative Bank Loan (20yrs)	163,750,000	178,750,000
	163,750,000	178,750,000

Description	2021-2022	2020-2021
	Kshs	Ksh
Balance at the beginning of the period	178,750,000	193,750,000
Repayment		
July	1,250,000	1,250,000
August	1,250,000	1,250,000
September	1,250,000	1,250,000
October	1,250,000	1,250,000

Sub-total	15,000,000	15,000,000
Balance at the end of the period	163,750,000	178,750,000
Co-operative Bank Loan (20yrs)- Current Portion	15,000,000	15,000,000
Co-operative Bank Loan (20yrs)-Non current portion	148,750,000	163,750,000

Note 29: PPE Schedule

	Land	Buildings	W.I.P	Plant and Equipment	Computers, Printers & Copiers	Furniture & Fittings	Motor Vehicles	Library books	Total
Depreciation Rate	0	2.00%		12.50%	33.33%	12.50%	25%	10%	
COST/VALUATION	KShs	KShs.	KShs.	KShs	KShs.	KShs.	KShs	KShs	KShs.
As at 1 July, 2020	110,000,000	1,420,517,437	782,480,165	48,394,929	10,799,899	46,537,386	37,666,606	59,286,167	2,515,682,589
Additions	-	-	65,853,823	130,000	374,621	35,635	-	271,435	66,665,514
Disposals	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Transfer to Buildings	-	270,704,412	(270,704,412)	-	-	-	-	-	-
As at 30 June, 2021	110,000,000	1,691,221,849	577,629,576	48,524,929	11,174,520	46,573,021	37,666,606	59,557,602	2,582,348,103
As at 1 July, 2021	110,000,000	1,691,221,849	577,629,576	48,524,929	11,174,520	46,573,021	37,666,606	59,557,602	2,582,348,103
Additions	-	-	57,303,964	19,030	1,774,415	-	-	4,743,004	63,840,413
Disposals	-	-	-	-	-	-	-	-	-
Revaluation	137,100,000	(308,520,849)	-	(42,935,959)	(42,623,021)	(42,623,021)	(13,016,606)	(36,708,606)	(306,705,041)
Transfer to Buildings	-	-	-	-	-	-	-	-	-
As at 30 June, 2022	247,100,000	1,382,701,000	634,933,540	5,608,000	12,948,935	3,950,000	24,650,000	27,592,000	2,339,483,475
DEPRECIATION									
At 1 July, 2020	-	(188,724,945)	-	(39,702,405)	(3,599,606)	(36,245,585)	(9,416,652)	(18,819,490)	(296,508,683)
Depreciation	-	(33,824,437)	-	(6,065,616)	(3,724,468)	(5,821,628)	(9,416,652)	(5,955,760)	(64,808,560)
Revaluation	-	-	-	-	-	-	-	-	-
At 30 June, 2021	-	(222,549,382)	-	(45,768,021)	(7,324,074)	(42,067,213)	(18,833,304)	(24,775,250)	(361,317,243)
At 1 July, 2021	-	(222,549,382)	-	(45,768,021)	(7,324,074)	(42,067,213)	(18,833,304)	(24,775,250)	(361,317,243)
Depreciation	-	(27,654,020)	-	(701,000)	(4,315,880)	(493,750)	(6,162,500)	(2,759,200)	(42,086,350)
Revaluation	-	222,549,382	-	45,768,021	-	42,067,213	18,833,304	24,775,250	353,993,170
At 31 June, 2022	-	(27,654,020)	-	(701,000)	(11,639,954)	(493,750)	(6,162,500)	(2,759,200)	(49,410,423)
NET BOOK VALUE									
As at 30 June 2022	247,100,000	1,355,046,980	634,933,540	4,907,000	1,308,981	3,456,250	18,487,501	24,832,800	2,290,073,052
As at 30 June 2021	110,000,000	1,468,672,467	577,629,576	2,756,908	3,850,446	4,505,808	18,833,303	34,782,352	2,221,030,860

Notes: A). Fixed assets are stated at valuation less accumulated depreciation. Capital projects remain as work in progress until they are certified complete then they are recognised as assets.

B). During the year under review the university valued its assets in order to bring into the books the fair market value of property, plant and Equipment as reported in the PPE schedule above. The revaluation exercise commenced on the second quarter of the FY2021/2022 and was carried out by qualified professionals from the department of lands, housing and physical planning, County Government of Kericho.

28. Related Party Disclosures

The following transactions were carried out with related parties

Key Management Compensation	2021/2022	2020/2021
(i) Council Remuneration		
Allowances paid to Council Members	12,182,415	7,236,175
(ii) Grants from related parties		
Grants from the Government	814,061,889	780,546,188

29. CASH GENERATED FROM OPERATIONS*University of Kabianga**Cash flow Statement*

for the Year Ended June 30, 2022

	Note	2021-2022	2020-2021
		Kshs	Ksh
Cash Flow From Operating Activities:			
Deficit for the year		(181,082,819)	(119,481,466)
Adjustments for Revaluation		(47,288,129)	
Adjustments for Depreciation		42,086,350	64,808,560
Surplus Before Working Capital		(186,284,598)	(54,672,906)
Changes in Working Capital			
(Increase)/ Decrease in Inventories		3,303,120	1,743,729
(Increase)/ Decrease in Biological as- sets		(516,533)	(323,850)
(Increase)/ Decrease in Receivables from Exchange Transactions		4,934,966	96,460,307
Increase/(Decrease) in Payables from Ex- change Transactions- Retention WIP		(7,724,397)	4,852,682
Increase/(Decrease) in refundable de- posits and prepayments from customers		(5,782,144)	21,643,440
Increase/(Decrease) in Current provisions		17,656,878	29,313,530
Increase/(Decrease) in Payables from Ex- change Transactions		83,677,304	(69,965,910)
Net Cash flows from Operating Activi- ties		(90,735,405)	29,051,022

30. Risk management policies-

The University's principal financial assets are, trade receivables and cash and short term deposits which arise directly from its operations. The University has financial liabilities comprising trade and other payables.

The University has exposure to the following risks:

- i) Market risks
- ii) Liquidity risk
- iii) Credit risks
- iv) COVID-19 pandemic

The Council has overall responsibility for the establishment and oversight of the University's risk management framework.

The University's risk management policies will be established to identify and analyze the risks faced by the University, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems will be reviewed regularly to reflect changes in economic conditions and the University's activities.

Market risk management

Interest rate risk

The University has interest bearing borrowings and is financed by cash generated from its operations. The University will always strive to increase its market share to match the interest of the day.

Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation. Typically the University ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the

servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence. All capital investments are funded by the Government.

Credit risk

Credit risk is the risk of financial loss to the University if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The University receives fees from students which minimizes the credit risk exposure. The University has a student's fees payment policy which defines how and when fees are supposed to be paid hence minimizes credit risk.

Outbreak of COVID-19 Pandemic

In mid-March 2020 the President of the Republic of Kenya gave a directive that all the Universities should close in order to curb the spread of this disease. This pandemic is an emerging risk in that the University cannot be able to collect fees from the students as well as any other income. Fixed costs e.g. salaries, security, provision of medical services to staff, Insurance of University property as well as staff continue to be incurred despite the closure.

Rising deficits

The university has incurred a deficit of **Kshs.181M** in the FY2021/2022 resulting in accumulated deficit of **Kshs.664M**.The University Council has developed a strategic plan and financial sustainability plan to ensure additional revenue and mitigate the rising deficits. In addition the University has requested for additional funding from the ministry of Education. This will address the issue of going concern.

Classification of credit risk bearing assets

The table below represents University's maximum exposure to credit risk as at 30 June 2022 and 2021.

ASSETS	2022	2021
Current Assets		
Cash and Cash Equivalents	55,612,223	83,175,847
Receivables from Exchange Transactions	77,091,363	82,026,329
	132,703,586	165,202,176

All the University's receivables are fully performing and are expected to be received. Bank balance includes cash in hand and deposits held with banks.

31. 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 is made of the amount of the obligation.

32. Contingent Assets and Liabilities

The University had no contingent liability as at the end of the financial year 2021/2022.

18. APPENDIX

APPENDIX 1: Implementation Status of Auditor-General's Recommendations.

University of Kabianga received un-qualified opinion audit report for the FY 2020/2021. The following is the summary of other matters which did not affect the opinion raised by the external auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Time-frame:
1.Going Concern	Rising deficits in the financial performance	The management is in constant engagement with relevant ministries to increase funding through Capitation.The proposed budget for 2023/2024 has been increased by an additional Ksh134 Million	Resolved	30-06-22
2.Bdgetary Control and Performance	Underfunding and under - expenditure	The management has increased the collection of appropriation in Aid and met the budget projections	Resolved	30-06-22

APPENDIX II: PROJECTS IMPLEMENTED BY THE UNIVERSITY

Projects implemented by the University funded by the Government of Kenya (GoK).

Status of Projects completion

	Project	Total pro- ject Cost	Total ex- pended to date	Completion % to date	Budget FY 2021-2022	Actual	Sources of funds
1	University Library	Kshs. 834,523,967	KSh. 382,199,177.44	68%	Kshs 45,000,000		GoK
2	Lecture Theatre Phase IV	Kshs 247,942,475	KSh 231,798,979.41	100%	Kshs 45,000,000		GoK
3	Student Dining hall	Kshs 20,991,670	Kshs 14,861,022.50	85%			AIA

APPENDIX III: INTER-ENTITY CONFIRMATION LETTER



UNIVERSITY OF KABIANGA
P.O BOX 2030-20200 KERICHO, KENYA
TEL: 020-2172665

The state department for university education and research wishes to confirm the amounts disbursed to you as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by University of Kabianga as at 30th June 2022						
Reference Number	Date Disbursed	Amounts Disbursed by state department for university education & Research as at 30th June 2022			Amount received by university as at 30th June 2021(E)	Differences(F)
		Recurrent(A)	Development(B)	Total (D)		
263860	03/08/2021	67,584,584	-	67,584,584	65,045,516	2,539,068
266328	01/09/2021	67,584,584	-	67,584,584	65,045,516	2,539,068
272821	29/09/2021	67,584,583	-	67,584,583	65,045,515	2,539,068
276558	30/10/2021	67,584,584	-	67,584,584	65,045,516	2,539,068
278086	29/11/2021	67,584,584	-	67,584,584	65,045,516	2,539,068
280939	28/12/2021	67,584,584	-	67,584,584	65,045,515	2,539,069
288566	01/02/2022	67,584,584	-	67,584,584	65,045,516	2,539,068
292688	12/03/2022	67,584,584	-	67,584,584	65,045,516	2,539,068
297285	01/04/2022	67,584,584	-	67,584,584	65,045,516	2,539,068
300238	28/04/2022	67,584,584	-	67,584,584	65,045,516	2,539,068
300334	06/06/2022	69,108,025	-	69,108,025	65,045,516	4,062,509
300585	28/06/2022	69,108,025	-	69,108,025	65,045,515	4,062,510
264426	12/08/2021		45,000,000	45,000,000	71,530,444	- 26,530,444
294876	16/03/2022		45,000,000	45,000,000	-	45,000,000
TOTAL		814,061,889	90,000,000	904,061,889		

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

Finance Officer
University of Kabianga

CPA Willy Koech

Sign

Head of Accounting Unit
State Department of University
and Research

Sign