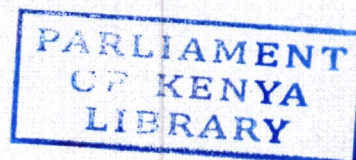


REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
JOMO KENYATTA UNIVERSITY OF  
AGRICULTURE AND TECHNOLOGY**

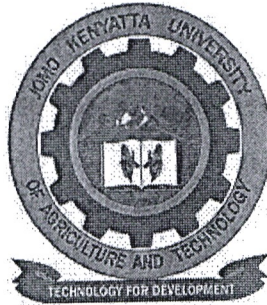
**FOR THE YEAR ENDED  
30 JUNE 2014**



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

-2 JUN 2015

RECEIVED



**JOMO KENYATTA UNIVERSITY  
OF  
AGRICULTURE AND TECHNOLOGY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2014**

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

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## **UNIVERSITY INFORMATION**

### **PRINCIPAL PLACE OF BUSINESS**

Jomo Kenyatta University of Agriculture and Technology  
Juja P.O. Box 62000-00200 Nairobi

### **REGISTERED OFFICE**

Jomo Kenyatta University of Agriculture and Technology  
P.O. Box 62000-00200 Nairobi

### **BANKERS**

Kenya Commercial Bank Ltd  
Moi Avenue  
P.O. Box 30081-00100 Nairobi

National Bank of Kenya Ltd  
P.O. Box 93-00232  
Ruiru, Kenya

Standard Chartered Bank Ltd  
P.O. Box 98683-80100  
Nairobi

Barclays Bank Kenya  
Barclays Plaza  
P.O.Box 46661,Nairobi, Kenya.

Co-operative Bank of Kenya Ltd  
Ngong Road,Po Box 19555-00202 Nairobi

Equity Bank Ltd  
Thika Plaza,Po Box 253-01000, Thika

Fundilima Sacco Society Ltd  
P.O. Box 62000-00200 Nairobi

### **AUDITORS**

Auditor General  
Kenya National Audit Office  
Po Bcx 30084-00100 Nairobi

### **ADVOCATES**

Lutta & Lutta Advocates  
P.O. Box 73705-00200 Nairobi

**THE UNIVERSITY COUNCIL**

<b>Current</b>		<b>Date of Appointment</b>
1. Dr. Ekuru Aukot	Chairman	January 22 <sup>nd</sup> 2013
2. Dr. Rosa Muraguri-Mwololo	Member	January 22 <sup>nd</sup> 2013
3. Ms. Bertha Joseph Dena	Member	January 22 <sup>nd</sup> 2013
4. Dr. Khadija Sood Shirkley	Member	January 22 <sup>nd</sup> 2013
5. Mr. John K. Tanui	Member	January 22 <sup>nd</sup> 2013
6. Amb. Steven Arphadax Loyatum	Member	January 22 <sup>nd</sup> 2013

**OFFICERS OF THE UNIVERSITY**

1. Prof. Geoffrey Moriaso Ole Maloiy	Chancellor
2. Prof. Mabel Imbuga	Vice Chancellor
3. Prof. Bernard O.Moirongo	Deputy Vice Chancellor (Finance)
4. Prof. Victoria W.Ngumi	Deputy Vice Chancellor (Administration)
5. Prof. Romanus Odhiambo	Deputy Vice Chancellor (AA)
6. Prof. Esther M. Kahangi	Deputy Vice Chancellor (RPE)
7. Dr. Jane Ng'ethe	Ag. Registrar (Administration)
8. Mr. C.C Kamau	Registrar (RPE)
9. Mr. Antony Kiswi	Registrar (AA)
10. Mr. Titus Wasike	Finance Officer
11. Mrs. Emmah Omulokoli	Dean of Students
12. Prof. Alfred Mayabi	Principal, COETEC
13. Prof. Jackson Kwanza	Ag. Principal ,JKUAT Karen Campus
14. Prof. Esther Magiri	Principal JKUAT Westlands Campus
15. Dr. Ruth Mugo	Chief Medical Officer

## **CHAIRMAN'S REPORT**

### **Introduction**

As a Public University, Jomo Kenyatta University of Agriculture and Technology (JKUAT) recognizes her pivotal role in helping Kenya achieve her development goals through training, research and innovation. In this respect, JKUAT is keen in providing skills, knowledge and technology required to steer the country towards achieving the economic, social and political goals as enshrined in national development instruments. The University will continue to reposition its main brands within the context of markets requirements, customers' satisfaction and cost rationalization.

The need to meet these objectives over the years has remained the central focus of the University Council.

### **Financial Performance**

The year 2013/2014 reported a Gross Income of Kshs.7,193,761,750 compared to Kshs.5,789,865,305 for the year 2012/2013. This represents an increase of 24% which is attributed to rise in student population and new programmes during the period.

### **Achievements**

2013/2014 financial year saw JKUAT enter into partnerships and collaborations with various institutions and counties, this boosts innovation and research. Among them are Waste Electrical & Electronic Equipment Centre whose core business is recycling and management of electronic waste with a mission to secure a green, safe and healthy environment. Baringo County will benefit from the research innovations and technology transfer. Nyeri County on the other hand will benefit with value addition in coffee, tea and horticultural crops. The IHub partnership is a viable platform for both entities to leverage on their collective strengths in terms of human resource and physical facilities.

During the period under review the University opened a new campus in Keiyan in line with its strategic plan to meet the demand for higher education.

**Challenges**

The University has grappled with an increased demand for university education against constrained University resources.

Due to an increase in student numbers, the laboratory and equipment facilities have been overstretched and maintenance and replacement have been a major challenge due to inadequate funding thus the need to enhance development grants.

**Appreciation**

Finally, I wish to thank the Kenya Government and other organizations for the support they have continued to give the University. On behalf of the Council I thank the University staff for their exemplary dedication and commitment to the Institution.



**AMB. STEVEN ARPHAXARD LOYATUM  
FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**

**VICE CHANCELLOR'S REPORT FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

I am pleased to present the Annual Report and Accounts for Jomo Kenyatta University of Agriculture and Technology (JKUAT) for the year ended 30<sup>th</sup> June 2014.

In the year 2013/2014, the University submitted to the Ministry of Higher Education Science and Technology a budget of Ksh.11,063,000,000. Out of this Ksh.3,258,000,000 was for Recurrent Estimates and the balance of Ksh.3,981,000,000 was for Development Estimates. The University anticipated to generate Ksh.3,825,000,000 as Appropriation in Aid (A.I.A).

In the year under review, Kshs.2,187,383,610 related to Government grants which consisted of recurrent grant of Kshs.2,157,415,653 and Development grant refunds of Kshs.29,967,957. The government grants were far below our budget submissions. The University on its part generated Kshs.5,006,378,139 which was above the targeted Appropriation In Aid of Kshs.3,825,000,000.

The University growth has seen students' population increase to over twenty thousand. The increase has led to constraints on our physical facilities such as lecture rooms and laboratories. However during the period under review the University utilized its internally generated funds to start the construction of a new Administration block, as well beautification of the main road leading to the University. Further, the University acquired 250 acres of land along Kenyatta Road at a cost of Kshs.2.5 billion for development purposes.

In our previous reports we have emphasized that our funding should be based on unit cost due to the nature of the main academic programmes offered by the University. The current funding leveled by the GoK has made the University unable to meet some of its key strategic objectives.

Finally, I would like to take this opportunity to thank the Kenya Government, donors and other organizations for the support we have received during the year.

I would also like to thank members of staff and students for the dedication and cooperation they have accorded me in the running of this University.



**PROF. MABEL IMBUGA, Ph.D.**  
**VICE CHANCELLOR**

## **STATEMENT ON CORPORATE GOVERNANCE**

### **Responsibility of the Council**

The Council comprises of nine persons, six of who are appointed by the President while the rest are ex-officio members. It is responsible for ensuring that the university complies with the law and best practices in corporate governance as promulgated by relevant authorities.

### **Functions of the Council**

- To administer the property and funds of the university, donations, endowments, gifts, grants or other monies and to make legitimate disbursements there from.
- To provide for the welfare of the staff and students of the university.
- To generate and raise funds for the purposes of the University from within and outside the country.
- To determine, on the advice of the senate, the maximum number of students to be admitted to the university at any one time from amongst those qualified for admissions.
- To enter into association with other universities, colleges or institutions of higher learning within or outside Kenya as the Council may deem necessary in the interest of the University.

The Council meets at least four times in each calendar year at such a place and time as the Chairman may determine.

### **Council Committees**

The following are the Council Committees

1. Executive Committee
2. Finance Committee
3. Sealing Committee
4. Building Committee
5. Terms of Service Committee
6. Staff Appraisal, Appointment and Promotions Committee
7. Staff Disciplinary Committee
8. Audit Committee

The Council nominates the Chairman of each Council Committee.

## **CORPORATE SOCIAL RESPONSIBILITY**

The university acknowledges her responsibility to the society by playing an active role on public issues. The university contributes to community support initiatives and in the year under consideration, the university was involved in the following activities;

- HIV Awareness Campaign
- Standard Chartered, Nairobi marathon
- Lewa Marathon
- Kenya Red Cross Society

The university also hosts in country training targeting women farmers from various counties in Kenya and also provides bursary and awards through Vice Chancellor's Awards.

The university continues to be a caring partner in our community and participated in numerous charitable events both as donor and through participation of staff teams.

The Secretary to the Council established Juja Community Development Committee that has come up with a roadmap on development of Juja town including roads, water and sanitation and sewage system.



**AMB. STEVEN ARPHAXARD LOYATUM**  
**FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**



**PROF. MABEL IMBUGA, Ph.D.**  
**VICE CHANCELLOR**

**STATEMENT OF JOMO KENYATTA UNIVERSITY COUNCIL MEMBERS  
RESPONSIBILITIES FOR THE YEAR ENDED 30TH JUNE 2014**

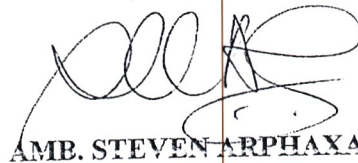
Jomo Kenyatta University of Agriculture and Technology is required to prepare statements, which give a true and fair view of the state of affairs of the University as at the end of the financial year, and of its surplus or deficit for that year. The University Council is required to ensure that the University maintains proper accounting records which disclose with reasonable accuracy the financial position of the University. Council is also responsible for safeguarding the assets of the University.

Council accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years and in conformity with International Financial Reporting Standards. Council is of the opinion that financial statements give a true and fair view of the state of financial affairs of the University as at 30<sup>th</sup> June 2014 and of its surplus for the year then ended.

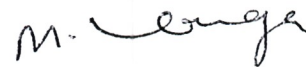
Council further confirms the accuracy and completeness of the accounting records maintained by the University, which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the system of internal financial control.

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

This statement is approved by Council and is signed on its behalf by:



**AMB. STEVEN ARPHAXARD LOYATUM**  
**FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**



**PROF. MABEL IMBUGA, Ph.D.**  
**VICE CHANCELLOR**



## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE AUDITOR-GENERAL ON JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2014

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Jomo Kenyatta University of Agriculture and Technology set out on pages 10 to 31, which comprise the statement of financial position as at 30 June 2014 and the statement of financial performance, statement of changes in net assets, statement of cash flows, and statement of comparison of budget and actual amounts and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

#### **Management's Responsibility for the Financial Statements**

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

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

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 15(2) of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

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

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

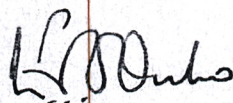
### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of the University as at 30 June 2014, and of its financial performance and its cash flows for the year ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Universities Act, 2012.

### **Emphasis of Matter**

#### **Going Concern**

Although the University recorded a surplus of Kshs.387,624,348 during the year under review, its current liabilities of Kshs.1,469,493,830 as at 30 June 2014 exceeded the current assets of Kshs.936,086,398 resulting into a negative working capital of Kshs.533,407,432. The financial statements of the University have been prepared on a going concern basis on the assumption of continued financial support from the Government and its creditors. My opinion is not qualified in respect of this matter.



**Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**11 May 2015**

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30TH JUNE 2014

INCOME	<u>NOTE</u>	<u>2013/2014</u> KSHS	<u>2012/2013 RESTATED</u> KSHS
Income from Non-exchange transactions	2	2,187,383,610	1,854,308,353
Income from Exchange transactions			
Tuition and Other Fees	3	4,741,954,587	3,631,115,991
Incomes from Other services rendered	4(i)	144,933,131	137,916,428
Other income	4(ii)	119,490,421	166,524,534
<b>Sub Total</b>		<b>5,006,378,139</b>	<b>3,935,556,953</b>
		<b>7,193,761,750</b>	<b>5,789,865,305</b>
<b>EXPENDITURE</b>			
Personal Emoluments	5(i)	3,719,099,917	2,883,343,725
Academic Departments Costs	5(ii)	587,978,030	603,192,969
Administrative Departments Costs	5(iii)	92,831,122	99,973,546
JKUAT Campus Costs	5(iv)	1,098,187,977	988,428,006
Students Welfare Costs	5(v)	55,492,544	64,995,171
Maintenance Work Costs	5(vi)	69,426,294	130,581,585
Miscellaneous Expenditure	5(vii)	63,728,949	58,899,329
Central Services Costs	5(viii)	1,102,018,972	820,473,867
Council, Committees expenses	5(ix)	17,373,596	17,129,612
		<b>6,806,137,402</b>	<b>5,667,017,811</b>
<b>Surplus for the year</b>		<b>387,624,348</b>	<b>122,847,495</b>

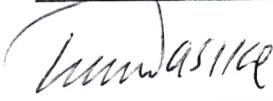
**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

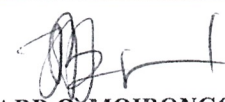
**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2014**

	<u>NOTE</u>	<u>2013/2014</u> KSHS	<u>2012/2013 RESTATED</u> KSHS
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Inventories	9	46,897,866	50,416,431
Trade and Other Receivables	10	766,287,506	388,959,566
Cash and bank balances	11a	122,901,026	251,244,866
		<b>936,086,398</b>	<b>690,620,863</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	8	7,260,032,154	4,297,654,378
Investment in Subsidiary	13	25,644,004	25,644,004
Biological Assets-livestock	15	7,878,700	6,951,000
Investment in Joint Venture		150,000,000	150,000,000
		<b>7,443,554,858</b>	<b>4,480,249,382</b>
<b>TOTAL ASSETS</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	12	1,110,770,590	919,085,599
Other Payables - Special Accounts & Gra	7	197,112,191	176,020,707
Bank overdraft	11b	161,611,049	103,240,865
		<b>1,469,493,830</b>	<b>1,198,347,171</b>
<b>NON-CURRENT LIABILITIES</b>			
Bank Loan	14	2,550,000,000	-
<b>TOTAL LIABILITIES</b>		<b>4,019,493,830</b>	<b>1,198,347,171</b>
<b>NET ASSETS</b>			
Capital Fund	6	1,942,091,704	1,942,091,704
Revaluation Reserve	6	1,349,392,123	1,349,392,123
Accumulated Surplus	6	1,068,663,599	681,039,251
		<b>4,360,147,426</b>	<b>3,972,523,078</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>
<b>TOTAL FUNDS, GRANTS AND LIABILITIES</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>

  
**PROF MABEL IMBUGA, PhD., EBS**

**VICE-CHANCELLOR**

  
**CPA TITUS WASIKE**  
**FINANCE OFFICER**

  
**PROF BERNARD O. MOIRONGO, PhD.**  
**DEPUTY VICE-CHANCELLOR (FINANCE)**

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

	<b>Capital Fund</b>	<b>Revaluation Reserve</b>	<b>Accumulated Surplus</b>	<b>TOTAL</b>
<b>As at 30th June 2012</b>	<b>2,370,738,057</b>	<b>1,349,392,123</b>	<b>558,191,756</b>	<b>4,278,321,936</b>
Additions in the Year				-
Transfers of assets to Taita Taveta University College	(394,394,615)			(394,394,615)
Depreciation on Transfers	(34,251,738)			(34,251,738)
Surplus for the Year			122,847,495	122,847,495
<b>As at 30th June 2013 Restated</b>	<b>1,942,091,704</b>	<b>1,349,392,123</b>	<b>681,039,251</b>	<b>3,972,523,078</b>
Additions in the Year				-
Surplus for the Year			387,624,348	387,624,348
<b>As at 30th June 2014</b>	<b>1,942,091,704</b>	<b>1,349,392,123</b>	<b>1,068,663,599</b>	<b>4,360,147,426</b>

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

	NOTE	2013/2014 <u>KSHS</u>	2012/2013 RESTATED <u>KSHS</u>
<b>Surplus/(Deficit) for the year</b>	<b>Pg 10</b>	<b>387,624,348</b>	<b>122,847,495</b>
<b>Adjustment for :</b>			
Prior Year Adjustment			15,000,000
Amortization of Erp Software	14	-	3,422,974
Depreciation Charge	8	200,460,310	167,687,016
<b>Operating Profit before working capital changes</b>		<b>588,084,658</b>	<b>308,957,485</b>
Decrease(increase) in Debtors		(377,327,940)	691,859
Decrease(increase) in Stocks		3,518,565	(875,120)
Increase(Decrease) in Other Payables-Special Accounts		21,091,484	11,954,933
Increase(Decrease) in creditors		191,684,991	40,119,974
		<b>(146,032,898)</b>	<b>51,891,645</b>
<b>Net Cash Generated from Operating Activities</b>		<b>442,051,760</b>	<b>360,849,130</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Purchase of Furniture	8	(12,361,781)	(27,700,434)
Additions in Work In Progress	8	(2,974,730,622)	(228,770,757)
Purchase of Motor Vehicles	8	(24,813,415)	(27,936,990)
Investment in JKUAT Nissin Foods LTD		-	(150,000,000)
Purchase of Computers and Equipment	8	(149,782,269)	(88,459,719)
Transfers to Taita Taveta	8	(15,000,000)	(95,369,208)
Purchase of plant and machinery		(1,150,000.0)	
Increase in Biological assets		(927,700)	(857,000)
<b>Net cash used in Investing Activities</b>		<b>(3,178,765,787)</b>	<b>(619,094,108)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Grants allocated to Finance Capital Fund	6		
Bank Loan		2,550,000,000	(5,265,333)
<b>Net cash used in Financing Activities</b>		<b>2,550,000,000</b>	<b>(5,265,333)</b>
<b>Net Increase (Decrease) in cash and cash equivalents</b>		<b>(186,714,027)</b>	<b>(263,510,311)</b>
Cash and cash equivalents at beginning of year		148,004,005	411,514,317
Cash and cash equivalents at end of year		<b>(38,710,022)</b>	<b>148,004,005</b>
<b><u>SUMMARY OF CASH AND BANK BALANCES</u></b>			
Cash on hand and balance with banks		122,901,026	251,244,866
Bank overdraft		(161,611,049)	(103,240,865)
<b>TOTAL</b>		<b>(38,710,022)</b>	<b>148,004,005</b>

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**STATEMENT OF COMPARISON OF BUDGET Versus ACTUAL AMOUNTS**

**FOR THE YEAR ENDED 30TH JUNE 2014**

INCOME	ORIGINAL BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL ON	PERFORMANCE
				COMPARABLE BASIS	DIFFERENCE
	<u>2013/2014</u>	<u>2013/2014</u>	<u>2013/2014</u>	<u>2013/2014</u>	<u>2013/2014</u>
	KSHS	KSHS	KSHS	KSHS	KSHS
Government Grant -Recurrent	1,949,059,350	-	1,949,059,350	1,571,930,068	
Recurrent Grant Receivable	-	-	-	122,128,935	
Recurrent Grant- CBA Arrears	-	246,200,000	246,200,000	246,200,000	
Refund from Public Universities Join	-	120,479,111	120,479,111	217,156,651	
<b>Government Grant Income</b>	<b>1,949,059,350</b>	<b>366,679,111</b>	<b>2,315,738,461</b>	<b>2,157,415,653</b>	
Refund Special Grant- Development	63,000,000		63,000,000	29,967,957	
<b>Total Government Grant</b>	<b>2,012,059,350</b>	<b>366,679,111</b>	<b>2,378,738,461</b>	<b>2,187,383,610</b>	
Tuition and other Fees Income	4,322,679,540	-	4,322,679,540	4,741,954,587	
Other income	257,831,980	-	257,831,980	264,423,552	
<b>Sub Total</b>	<b>4,580,511,520</b>	<b>-</b>	<b>4,580,511,520</b>	<b>5,006,378,139</b>	
<b>Total Income</b>	<b>6,592,570,870</b>	<b>366,679,111</b>	<b>6,959,249,981</b>	<b>7,004,232,011</b>	44,982,030
<b>EXPENDITURE</b>					
Personal Emoluments	3,263,536,782	455,563,135	3,719,099,917	3,719,099,917	-
Academic Departments Costs	793,597,583	-	793,597,583	587,978,030	(205,619,553)
Administrative Departments Costs	121,005,513	-	121,005,513	92,831,122	(28,174,391)
JKUAT Campus Costs	621,968,769	-	621,968,769	1,098,187,977	476,219,208
Students Welfare Costs	92,253,232	-	92,253,232	55,492,544	(36,760,688)
Maintenance Work Costs	120,537,367	-	120,537,367	69,426,294	(51,111,073)
Miscellaneous Expenditure	78,425,743	-	78,425,743	63,728,949	(14,696,794)
Central Services Costs	1,402,804,450	-	1,402,804,450	1,102,018,972	(300,785,478)
Council, Committees expenses	17,781,793	-	17,781,793	17,373,596	(408,197)
<b>Total Expenditure</b>	<b>6,511,911,232</b>	<b>455,563,135</b>	<b>6,967,474,367</b>	<b>6,806,137,402</b>	(161,336,966)
<b>Surplus for the year</b>	<b>80,659,638</b>				

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014

## **1.0 ACCOUNTING POLICIES**

The following paragraphs describe the main accounting policies of the University.

### **(A) BASIS OF ACCOUNTING**

The accounts have been prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

### **(B) INCOME RECOGNITION**

Income from grants and tuition fees is recognized on accrual basis.

Interest earned on short-term deposits is recognized on the accrual basis.

Tuition arrears as at 30<sup>th</sup> June 2014 was Kshs 423,080,081.00. This income is accrued in the accounts as at 30th June 2014 in line with IPSAS

The refunds from the Ministry of Education, Science and Technology on projects is shown as income for the year in line with IAS 20

The income is captured in the Statement of comprehensive Income.

### **(C) PROPERTY PLANT AND EQUIPMENT**

a) Property, plant and equipment are stated at cost or valuation less depreciation.

b) Depreciation of property, plant and equipment are calculated on the reducing balance basis using the following annual rates:

Buildings 2%

Furniture and Fittings 10%

Plant and Machinery 10%

Motor Vehicles 20%

Computers and Equipment 30%

### **(D) INVENTORIES**

a) Stocks are stated at the lower of cost or net realizable value.

b) The cost of library books and perishables is written off to expenditure as incurred.

### **(E) TRANSLATION OF FOREIGN CURRENCIES**

Transactions in foreign currencies are converted into Kenya Shillings at the rate ruling on the transaction date.

### **(F) VALUE OF DONATED EQUIPMENT**

Value for the equipment donated are estimated by the University or as advised by donors.

### **(G) NON-CURRENT ASSETS EXPENDITURE ON RECURRENT GRANTS**

The cost of Non-Current Assets from Recurrent Grants is expensed in the income and expenditure account and capitalized.

### **(H) BAD AND DOUBTFUL DEBTS**

Provision for bad and doubtful debts have been provided of Kshs 66,633,696.19 for the financial year 2013/2014.

### **(I) PURCHASE OF FIXED ASSETS**

The purchase of fixed assets is capitalized.

**(J) INTANGIBLE ASSETS**

The Intangible Assets are amortized on straight line basis over the finite number of years

**(K) CURRENCY**

The figures in the accounts are expressed in Kenya Shillings (Kshs)

**(L) PRIOR YEAR ADJUSTMENT**

This relates to value of land worth Kshs 15,000,000 that was transferred to Taita Taveta College but was not deducted from the Fixed Asset Schedule in the year 2012/2013

**(M) EXPECTED PENSION**

The University expected to receive Kshs 19,444,605 from the Ministry of Higher Education Science and Technology for payment of pension arrears that resulted from the CBA Arrears

		2013/ 2014 KSHS	2012/ 2013 KSHS
<b>2</b>	<b>GOVERNMENT GRANT</b>		
70003	Recurrent Grant	1,571,930,068	1,664,124,326
70003	Recurrent Grant Receivable	122,128,935	127,184,030
70003	Recurrent Grant - CBA Arrears	246,200,000	
70004	Refund from Public Universities Joint Account	217,156,651	
70005	Refund Special Grant-Development Grants	29,967,957	62,999,997
		<b>2,187,383,610</b>	<b>1,854,308,353</b>
<b>3</b>	<b><u>TUITION AND OTHER FEES</u></b>		
70012	ID/Registration Fees	35,886,332	29,124,198
70014-01	Tuition Fees	4,119,490,996	3,143,677,219
70015-01	Examination Fees	182,177,524	147,149,225
70016-01	Medical Fees	87,799,874	76,483,829
70043/4/5	Post Graduate Fees	2,270,000	2,511,600
70042	Bsc. application fees	8,018,654	7,110,800
70046-01	Internet	56,030,586	48,852,634
70047	Computer fees	63,108,801	56,939,956
70048	Library fees	40,516,766	35,596,778
70049	Field trips/attachment	106,093,816	83,669,751
70059-01	Students Laptop Fees	40,561,238	-
		<b>4,741,954,587</b>	<b>3,631,115,991</b>
<b>4(i)</b>	<b><u>OTHER SERVICES RENDERED</u></b>		
87031	Rechargeable transport	71,081,901.70	64,903,404
87044	Nursery School	844,087.83	735,393
87046	Horticulture Production	-	164,120
87047-1/2/3/4	Staff Cafeteria	22,225,331.88	26,305,189
87049	Xeroxing and printing	7,358,136.53	1,634,035
87066	Workshop Production	2,296,054.90	1,969,438
87048	Food Processing	-	34,953
87126	Hospital fund	5,696,122.90	5,544,999
87127	Library Production	106,143.00	127,889
87129	Consultancy services	218,940.00	-
87133-01/02	Bookshop Income	2,996,115.98	3,018,904
87141	Chemistry	2,090,815.90	5,192,824
87177	Serena /Candle IGU A/C	11,484,395.66	-
87178	Outside Catering unit	-	305,165
87203	Farm machinery	715,848.60	-
87204	Health centre dental	282,960.00	294,490
87325	Botany IGU	103,640.00	239,000
87341	BEED IGU	-	829,858
17800-01	Short Courses and Trainings	2,157,637.00	-
87390	Geothermal Development jkuat	494,187.25	-
87391	GIS/SDCP Consultancy- Min of Agri	-	4,471,336
87392	ICT Consultancy centre Nrb CBD	310,627.50	-
87395	Consultancy services shrd	456,300.00	6,521,497
87397	Consultancy at Multimedia University	8,995,000.00	10,500,001
87456	Medical lab science IGU	235,000.00	286,250
88567	ISO Training Income	4,783,884.15	4,837,684
		<b>144,933,131</b>	<b>137,916,428</b>

70004/020	House Rent	11,402,379	10,956,901
70008	Water Charges	649,820	517,625
70010	Shop Rent	649,800	637,300
70011	Transport Charges	969,320	66,060
70017	Accrued Interest on fixed deposit	5,328,670	14,074,268
70018-01	Miscellaneous income	10,774,461	14,424,130
70021	Library Fines	4,409	13,035
70023	Laundry Charges	3,754,543	2,602,679
70025	Hire of Graduation Gowns	22,446,094	17,836,736
70029	Bridging Maths	9,789,056	-
70030	Students P.A Y.E	21,749,083	31,113,671
70032	Project fees	10,496,444	10,308,912
70034	Research/Attachment Fees	62,300	122,529
70037	Journal of Agric	88,500	-
70038	Interest on Deposits and Savings	2,501,904	7,648,707
70039	Project Admin Costs	705,733	1,094,013
70040	JKUAT Hospital Cost Sharing	363,160	356,287
70050	Visitation Income	-	725,250
70051	Sale of tenders	1,047,400	3,252,565
70052	Swimming Pool Charges	-	1,798,471
		<b>119,490,421</b>	<b>166,524,534</b>

5(i) **PERSONAL EMOLUMENTS**

61000	Staff Salary	1,870,112,576	1,284,100,954
61001	Casual Workers	60,145,949	81,086,238
61002	Part-time Teaching	267,202	1,257,073
61040	Gratuity and Pension Contributions	376,906,590	249,958,186
61041	Group Life (Pension) Insurance	19,753,684	15,607,526
61050	House Allowance	928,081,509	805,998,072
61060-1/1	Other Personal Allowances	191,041,694	162,978,846
61070	House to Office Allowance	258,308,156	267,220,466
61080	Passage, Baggage/Leave Allowance	14,482,557	15,136,364
		<b>3,719,099,917</b>	<b>2,883,343,725</b>

5(ii) **ACADEMIC COSTS**

11000	Travelling and accomodation	48,024,564	49,831,174
11100	Field courses	13,712,638	16,261,636
12100	Telephone	22,000	3,123
13000	Entertainment	8,028,312	7,071,605
15000	Teaching materials	37,239,800	21,701,431
17300	Library expenses	4,027,537	10,201,512
17400	Stationery and stores	18,693,638	16,994,638
17500	Advertising and publicity	8,920,781	6,766,821
17800	Short Courses	501,000	3,065,375
19000	Cleaning materials	981,768	1,110,947
19500	Attachment Expenses	5,206,816	5,947,275
19600	Research	5,393,575	6,852,133
61197	Research Programme	51,011,006	37,268,731
61113	Kenya Universities and Colleges Central Placement Se	168,677	161,750
61283-01	Examination expenses	26,204,521	22,573,093
61002	Part time-departments	341,364,101	376,085,780
61001	Casual workers -Department	17,926,966	21,005,925
61301	Workstudy	550,330	290,020
		<b>587,978,030</b>	<b>603,192,969</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

		2013/2014 KSHS	2012/2013 RESTATED KSHS
<b>5(iii)</b>	<b><u>ADMINISTRATIVE COSTS</u></b>		
110	Travelling and Accomodation	46,332,645	44,204,583
121	Telephone	-	18,509
130	Entertainment	13,416,074	13,254,527
145	Fuel for generator	-	4,409,474
174	Purchase of stationery and stores	25,958,872	30,562,675
176	Foodstuff for patients	487,159	353,471
178	Short Courses	2,015,884	3,639,020
190	Cleaning materials	4,573,138	2,561,579
185	Computer expenses	47,350	12,500
88310	Juja Community	-	957,209
		<b>92,831,122</b>	<b>99,973,546</b>
<b>5(iv)</b>	<b><u>CAMPUS RUNNING COSTS</u></b>		
02	Karen Campus	193,916,111.3	237,500,803
03	Nairobi campus	138,933,497.2	95,693,193
05	Nairobi CBD Campus	94,857,993.5	73,103,523
06	Mombasa CBD Campus	161,276,031.0	179,590,008
10	Kisii CBD Campus	88,653,242.7	59,780,563
11	Kitale CBD Campus	60,552,308.7	65,136,272
12	Nakuru CBD Campus	148,838,065.7	154,068,844
13	Arusha Campus	34,599,891.2	40,256,174
15	Kakamega Campus	80,554,261.9	38,483,811
16	Kisumu CBD	35,695,357.1	11,088,538
19	Kigali Campus	60,311,217.1	33,726,275
		<b>1,098,187,977</b>	<b>988,428,006</b>
<b>5(v)</b>	<b><u>STUDENTS WELFARE</u></b>		
110	Travelling and accomodation	4,827,870	6,243,451
130	Entertainment	2,346,951	938,343
174	Stationery and stores	1,547,959	1,347,466
190	Cleaning materials	4,029,549	3,586,868
144	Gas and fuel	3,442,482	13,300,327
160	Food and rations	38,524,142	38,129,525
161	Crockery and utensils	718,205	1,185,835
221	Inter- university games	55,387	263,355
		<b>55,492,544</b>	<b>64,995,171</b>
<b>5(vi)</b>	<b><u>MAINTENANCE COSTS</u></b>		
61250-01	Maintenance of plant/mach/equip	24,435,784	25,188,435
61255-01	Repair & Maintenance of Furniture	1,847,652	7,805,173
61260-01	Maintenance of buildings	37,727,620	81,061,563
61270-01	Maintenance of water/sewerage	2,703,197	6,511,096
61280-01	Maintenance of roads/grounds	2,712,040	10,015,318
		<b>69,426,294</b>	<b>130,581,585</b>
<b>5(vii)</b>	<b><u>MISCELLANEOUS EXPENDITURE</u></b>		
61281	Show expenses	16,431,488	16,007,595
61282	Graduation expenses	45,607,696	40,304,632
61288	Kabiru-ini Demonstration	1,689,766	2,587,101
		<b>63,728,949</b>	<b>58,899,329</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014

		2013/2014	2012/2013	
<b>CENTRAL SERVICES</b>		<b>KSHS</b>	<b>KSHS</b>	
5(viii)	61091/92-01,09000-01	Medical Expenses	229,351,085	169,039,746
	61082	Industrial Training Levy	-	705,350
	61100-01	Transport expenses	26,216,437	23,975,526
	61112-01	External travelling	20,767,803	30,197,452
	61120-01	Postal & telegrams expenses	1,296,128	1,115,374
	12100-01	Telephone expenses	3,459,270	5,448,467
	12500	UMB Expenses	315,334	1,064,640
	13000-01	Entertainment Expenses	222,625	58,376
	13500	Deans and Senate Committee Expenses	349,622	190,500
	61130-01	Official entertainment	251,558	1,249,839
	61132-01	Conference & seminars	13,245,317	13,147,880
	61133	Pension fund expenses	-	654,896
	61135	Public celebrations/funerals	5,689,115	3,917,513
	61138	Foreign exchange difference	556,575	-
	14000-01	Electricity expenses	63,712,134	58,076,136
	14500-01	Fuel for Generator	5,358,123	16,935,711
	16100-01	Crockery and Utensils	997,208	2,151,778
	18400-01	Internet Connectivity	24,812,865	21,318,438
	61153-01	Fungicides insecticides & Sprays	885,402	513,800
	61171-01	Publishing & printing	9,963,250	15,567,093
	61172-01	Purchase of Uniform & clothing	13,112,460	14,768,632
	61174-01	Purchase of Stationery	1,575,047	339,971
	17500-01	Advertising & Publicity	56,293,871	38,350,401
	61177	Disaster Preparedness	-	151,960
	61179	Audit fees	3,480,000	3,480,000
	61180	ISO expenses	2,528,140	6,073,092
	61181/2-01	Rent and Rates	3,975,130	918,158
	61184-01	Contracted professional services	33,795,390	38,129,947
	61185	Subscription to Professional bodies	2,760,257	3,710,225
	61186-01	Hire of transport & machinery	-	75,000
	61187	Motor vehicle insurance	6,430,268	5,632,210
	18500-01	Computer Charges	1,230,577	1,507,509
	19000-01	Misc other charges	-	1,244,270
	61191-01	Bank charges/interest	22,918,794	8,536,096
	61192	Clearing & forwarding	277,322	314,139
	61193	Fees commission & Honoraria Exp.	10,259,141	3,986,448
	61194/96	Staff Training expenses	17,159,613	19,913,409
	61195	Structured Cabling Systems Expenses	33,960,800	62,882,040
	61198	Vice chancellors award expense	1,290,000	-
	61203	HELB Penalties Account	91,708	-
	61218	Insurance premiums	5,345,311	1,860,934
	61285	Staff Pay supplement expenditure	13,000,000	13,390,000
	61291-01	Interest on KCB Loan	138,296,494	336,171
	61292-01	Legal fees on loan -main campus	19,800,000	-
	61295	Innovation & Technology	2,248,460	1,346,155
	61362	Depreciation charge	200,460,310	167,687,016
	70022	Hire of Equipment	1,858,840	599,629
	70050	Visitation Income	331,415	725,250
	70052	Swimming Pool Charges	330,729	1,798,471
	70013	Residential Fees	26,595,833	43,690,500
	87045	Farm crops	425,976	968,759
	87046	Horticulture Production	134,730	-
	87048	Food Processing (FOTEC)	1,668,289	-
	87175	Piggery Unit	970	-
	87176	Livestock Production	1,657,550	2,792,098
	87178	Outside Catering	2,733,896	-
	87185	Poultry IGU Project	478,949	-
	87341	BEED IGU	57,476	-
	87391	GIS/SDCP Consultancy	1,371,680	-
	90001	Provision for Bad Debts	66,633,696	-
		<b>1,102,018,972</b>	<b>820,473,867</b>	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

	2013/2014 KSHS	2012/2013 KSHS
<b>5(ix) <u>Council, committes expenses</u></b>		
61131 Sitting Allowance	12,056,427	15,257,322
61129 Chancellor's Expenses	681,988	785,295
61128 Other Council Running Expenses	4,635,181	1,086,995
	<b><u>17,373,596</u></b>	<b><u>17,129,612</u></b>

**6 FUNDS AND GRANTS**

	Capital Fund Kshs.	Revaluation Reserve Kshs.	Accumulated Surplus Kshs.	TOTAL KSHS
Balance as at 30th June 2013	1,942,091,704	1,349,392,123	681,039,251	3,972,523,078
Surplus for the year	0	0	387,624,348	387,624,348
As at 30th June 2014	<u>1,942,091,704</u>	<u>1,349,392,123</u>	<u>1,068,663,599</u>	<u>4,360,147,426</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014

7	<u>SPECIAL ACCOUNTS AND GRANTS</u>	<u>30.06.2014</u>	<u>30.06.2013</u>	
82088	UNDP-Entrepreneurship	89,764	89,764	Awaiting confirmation from financier
82091	Burnside Church Bursary Fund	7,065	7,065	Awaiting confirmation from financier
82092	JICA-3rd Country Training (Elec)	5,779	5,779	Awaiting confirmation from financier
82097	JKUAT/JACKSON Univ Projects	149,562	149,562	Awaiting confirmation from financier
82100	JICA Research	53,540	53,540	Awaiting confirmation from financier
82101	LD.R.G. Research Grants	2,990	2,990	Awaiting confirmation from financier
82102	CIVIL ENGINEERING PROD	1,373,056	1,263,475	Awaiting confirmation from financier
82108	Dryland Sorghum & Millet Research	62,514	62,514	Awaiting confirmation from financier
82109	DAAD Scholarship	8,394,772	6,230,897	Awaiting confirmation from financier
82118	FAO Material (Research )	62,390	62,390	Awaiting confirmation from financier
82134	Incountry training	6,967,446	-	Awaiting confirmation from financier
82139	K.P.T.C/J.K.U.A.T Energy	1,966,476	1,966,476	Awaiting confirmation from financier
82144	Simple Tel. Device	737,332	737,332	Awaiting confirmation from financier
82145	Rehabilitation of Horticulture	99,740	99,740	Awaiting confirmation from financier
82150	Agricultural Research Fund	187,237	187,237	Awaiting confirmation from financier
82153	F.A.O. Project ( Prof. Oniang'o )	617,095	617,095	Awaiting confirmation from financier
82160	A.R.F - KARI Research Project	9,596	9,596	Awaiting confirmation from financier
82166	Research Project Admin. Fund	1,806,010	1,806,010	Awaiting confirmation from financier
82196	3rd Country Training Horticulture	3,000		Awaiting confirmation from financier
82197	3rd Country Training- Civil Eng	317,875	317,875	Awaiting confirmation from financier
82201	LVEMP Project	2,897	2,897	Awaiting confirmation from financier
82205	Cassava Processing Project	43,853	43,853	Awaiting confirmation from financier
82206	Biological Tick Control	22,843	22,843	Awaiting confirmation from financier
82208	FAO Advocacy/Training Material	178,947	178,947	Awaiting confirmation from financier
82209	WHO/Danish Bilhaziasis	15,456	15,456	Awaiting confirmation from financier
82211	IEET VOUCHER PROJECT	6,413,603	6,413,603	Awaiting confirmation from financier
82212	Botany /Craft Agro-Foretry Project	18,942	18,942	Awaiting confirmation from financier
82214	Rockefeller Project Prof Imbuga	81,446	81,446	Awaiting confirmation from financier
82219	Ushopia workshop fund	266,756	266,756	Awaiting confirmation from financier
82220	Pesticide free beans project	325,328	325,328	Awaiting confirmation from financier
82233	Rockefeller Project Poverty Reduction	214,293	214,293	Awaiting confirmation from financier
82234	NUFU Funds -Norway	4,411,172	4,554,015	Awaiting confirmation from financier
82235	Isotopic Nuclear Techniques	-	66,551	Awaiting confirmation from financier
82236	African vegetable Research project	5,572	5,572	Awaiting confirmation from financier
82238	Computerization Fund	100,603	100,603	Awaiting confirmation from financier
82239	CISCO	12,199,342	12,114,660	Ongoing
		<u>47,214,292</u>	<u>38,095,102</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014

7 Cont'	<u>SPECIAL ACCOUNTS AND GRANTS</u> <u>DETAILS</u>	<u>2013/2014</u> <u>KSHS</u>	<u>2012/2013</u> <u>KSHS</u>	
82245	Rockefeller-DR Keriko	4,095	4,095	Ongoing
82249	WAITRO	520,156	520,156	Ongoing
82254	Inter-University C.E.A Prof Boga	1,961,108	3,301,096	Ongoing
82255	IFS Grants	1,971,654	1,272,844	Ongoing
82259	HIV AIDS	1,013,690	1,111,605	Ongoing
82260	AICAD Research	1,211,519	1,756,326	Ongoing
82287	International Institute for Trop Agr (IITA)	103,245	103,245	Awaiting confirmation from financier
82303	Roforum Project	242,843	242,843	Awaiting confirmation from financier
82321	VANILLA PROJECT	374,080	374,080	Awaiting confirmation from financier
82322	CHE RESEARCH PROJECT	1,213,043	1,213,043	Awaiting confirmation from financier
82328	Engineering Information Foundation	446,833	446,833	Awaiting confirmation from financier
82331	CFH Foundation Prof Anne Muigai	8,453	-	Ongoing
82338	Pyrethrum post harvest handling project-Dr t	996,251	1,389,670	Ongoing
82342	GCHERA Conference Sponsorship	2,368,836	2,255,196	Ongoing
82354	GTZ-Drought tolerant project	519,717	527,337	Ongoing
82355	Rice Project-Prof Kahangi	1,181,877	4,791,877	Ongoing
82356	Indigenous Vegetables	2,440	1,706,290	Ongoing
82359	Bio-Earn	6,631,895	6,631,895	Ongoing
82360	KAPP	109,192	109,192	Awaiting confirmation from financier
82361	Kilimo Trust	897,165	897,165	Awaiting confirmation from financier
82372	NCST	17,895,715	16,573,930	Ongoing
82374	AKTP- Dr. Waweru	801,366	801,366	Awaiting confirmation from financier
82375	EEAI	215,000	215,000	Awaiting confirmation from financier
82376	ASARECA	7,227,098	4,399,524	Ongoing
82378	IDRC	352,646	352,646	Awaiting confirmation from financier
82379	AHIS	204,820	204,820	Awaiting confirmation from financier
82382	KNBS	36,252,963	36,242,963	Ongoing
82384	FVRP	349,593	1,094,018	Ongoing
82385	Macaulay Institute	31,716	31,716	Awaiting confirmation from financier
82388	Pennsylvania State University	7,722	7,722	Awaiting confirmation from financier
82389	Kaduna Project	10,670,647	11,772,773	Ongoing
82399	HIV Self Testing - Dr Kenneth Ngunjiri	992,433	-	Ongoing
82401	HORTINLEA - Sub Project 1 (Dr Wesonga)	2,810,521	-	Ongoing
82403	HORTINLEA - Sub Project 2 (Prof Losenge)	106,240	-	Ongoing
82404	HORTINLEA - Sub Project 4 (Dr Wesonga)	630,474	-	Ongoing
82568	BMGF	10,618,201	10,156,077	Ongoing
82569	ECOTACT	13,000	13,000	Awaiting confirmation from financier
82570	HENNE project	841,476	841,476	Awaiting confirmation from financier
82573	RUFORUM	440,877	505,044	Ongoing
82574	CASARD Project	202,600	202,600	Awaiting confirmation from financier
82575	Agribusiness Incubator Consortium	384,804	2,509,804	Ongoing
82577	Sorgum KAPAP Project	440,186	227,942	Ongoing
82580	Thika Highway Scoping Study -Prof Zachary	268,000	268,000	Awaiting confirmation from financier
82582	BEANS PROJECT-DR DANIEL SILA	3,478,905	2,341,652	Ongoing
82583	KAPAP MANGO PROJECT-KARI	2,131,450	991,500	Ongoing
82584	ILRI Project Esther Kahangi	2,555,579	346,185	Ongoing
82585	GLOWS Project-Hannah Ngugi	48,170	50,200	Ongoing
82586	ILRI Project Dr Daniel Sila	19,902	4,009,733	Ongoing
82587	Baylor Project-Dr Mutwiwa	780,400	459,200	Ongoing
82588	Storerooms Project Dr Stephen Kimani	15,006	251,406	Ongoing
82589	Bill and Melinda Gates Dr Amos Alakonya	863	1,955,983	Ongoing
82590	Climate Change Impacts-Mark Boit	136,983	5,375	Ongoing
82591	Computer Science for High Schools	10,000	10,000	Awaiting confirmation from financier
82592	JKUAT Institutional Respository	267	267	Awaiting confirmation from financier
82593	Fish Farming	770	-	Ongoing
82595	Coconut Project - Dr Nyende	358	52,358	Ongoing
82596	Ruforum -Dr John Bosco	1,696,075	1,180,856	Ongoing
82597	Jkuat-UNAM Video Conf Project	-	3,096,862	Ongoing
82599	Tana Basin-Prof Nancy Mati	-	191,100	Ongoing
82600	DVL PLANT ANGRO-Prof Wariara Kariuk	176,199	17,719	Ongoing
82601	Grand Challenges Canada Dr Hellen Kutima	2,925,098	7,890,000	Ongoing
		<b>127,512,215</b>	<b>176,020,707</b>	

7 Cont'	<u>SPECIAL ACCOUNTS AND GRANTS</u> DETAILS	<u>2013/2014</u> KSHS	<u>2012/2013</u> KSHS
82603	Triple - L West Pokot - Dr Peter Mwangi	26,600	Ongoing
82604	SOLAMACEAE GEMOMICS - Dr Willis Owino	6,540,145	Ongoing
82605	Insurance Regulatory Authority - Dr Willy Muturi	55,746	Ongoing
82606	JKUAT - KAPAP Training Curriculum - Nyori Mbu	1,463,575	Ongoing
82607	Renewable Energy for Food -Prof C. Kanali	3,534,706	Ongoing
82608	GREEiNSECT (DANIDA) -Dr Kinyuuru	134,474	Ongoing
82609	Tropical Sweet Potato (ICGEB) - Dr S. Anami	1,041,312	Ongoing
82610	Tsavo Project (WWF - EN) - Prof B. Mati	300,050	Ongoing
82611	Pasufons - Prof Ngamau	4,622,587	Ongoing
82612	ELEFANS - Prof. A. Makokha	1,682	Ongoing
82613	JENGA - Dr. Stephen Diang'a	499,929	Ongoing
82614	LIANE - Dr Stephen Diang'a	991,640	Ongoing
82615	METEGA - Dr Hiram Ndiritu	1,394,814	Ongoing
82617	HORTINLEA Sub Project 13 -Prof Losenge	535,083	Ongoing
82618	Postharvest Studies of Tomato - Dr Willis Owino	715,626	Ongoing
82622	Student for Development Project - Pamela Owour	527,715	Ongoing
		<b>197,112,191</b>	<b>176,020,707</b>

Special accounts and grants relates to funds received by the university for specific research projects undertaken by researchers

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014.

Note 8

PROPERTY, PLANT AND EQUIPMENT

	WORK IN PROGRESS	LAND	BUILDINGS	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENTS	PLANT & MACHINERY	MOTOR VEHICLES	TOTAL
<b>DEPRECIATION RATES</b>			2%	10%	30%	10%	20%	
Cost/Valuation 01.07.12	383,843,778	1,220,400,000	2,295,664,500	182,211,253	311,650,768	429,487,700	133,398,334	4,956,656,333
Transfers to Taia Taveta Campus	95,369,208	15,000,000	241,800,000	16,669,656	19,636,751	616,000	5,303,000	394,394,615
Additions in the year	228,770,757	-	-	27,700,434	88,459,719	-	27,936,990	372,867,900
As at 30.06.2013	517,245,327	1,205,400,000	2,053,864,500	193,242,031	380,473,736	428,871,700	156,032,324	4,935,129,618
<b>DEPRECIATION</b>								
Accumulated at 01.07.2012	-	-	135,003,438	44,393,588	155,015,966	116,391,167	53,235,804	504,039,962
Depreciation on transfers	-	-	14,314,560	4,475,155	12,107,743	172,480	3,181,800	34,251,738
Charge for the year	-	-	38,090,930	14,437,329	64,005,008	31,230,805	19,922,944	167,687,016
As at 30.06.2013	-	-	158,779,808	54,355,762	206,913,231	147,449,492	69,976,948	637,475,241
NBV(2012/2013) Restated	517,245,327	1,205,400,000	1,895,084,692	138,886,269	173,560,505	281,422,208	86,055,376	4,297,654,377
NBV(2011/2012)	383,843,778	1,220,400,000	2,160,661,062	137,817,665	144,769,071	313,096,533	80,162,530	4,440,750,640

PROPERTY, PLANT AND EQUIPMENT

	WORK IN PROGRESS	LAND	BUILDINGS	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENTS	PLANT & MACHINERY	MOTOR VEHICLES	TOTAL
<b>DEPRECIATION RATES</b>			2%	10%	30%	10%	20%	
As at 01.07.2013	517,245,327	1,205,400,000	2,053,864,500	193,242,031	380,473,736	428,871,700	156,032,324	4,935,129,618
ADDITIONS IN YEAR	2,974,730,622	2,877,309,161	-	12,361,781	149,782,269	1,150,000	24,813,415	6,040,147,247
LESS TRANSFERS TO LAND	3,491,975,949	-	-	-	-	-	-	-
As at 30.06.2014	(2,877,309,161)	4,082,709,161	2,053,864,500	205,603,812	530,256,005	430,021,700	180,845,739	(2,877,309,161)
<b>DEPRECIATION</b>								
Accumulated at 01.07.2013	-	-	158,779,808	54,355,762	206,913,231	147,449,492	69,976,948	637,475,241
Charge for the year	-	-	37,901,694	15,124,805	97,002,832	28,257,221	22,173,758	200,460,310
As at 30.06.2014	-	-	196,681,502	69,480,567	303,916,063	175,706,713	92,150,706	837,935,551
NBV(2013/2014)	614,666,788	4,082,709,161	1,857,182,998	136,123,245	226,339,942	254,314,987	88,695,033	7,260,032,154
NBV(2012/2013) Restated	517,245,327	1,205,400,000	1,895,084,692	138,886,269	173,560,505	281,422,208	86,055,376	4,297,654,377

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014.**

**8(j) WORK IN PROGRESS AS AT 30.06.2014**

VOTE	DETAILS	BAL B/F	ADDITIONS	TOTAL	TRANSFERS (CAPITALIZED)	BALANCE
62403-01	Lecture Halls	26,242,620	-	26,242,620	-	26,242,620
62405-02	Construction of Karen library extensi	7,901,965	-	7,901,965	-	7,901,965
62406-01	Science Complex	183,417,241	57,936,235	241,353,476	-	241,353,476
62407-02	Ace Building-Karen	12,886,921	-	12,886,921	-	12,886,921
62408-01	Main Gate	23,178,815	945,100	24,123,915	-	24,123,915
62408-03	Main Gate-Nairobi Campus	150,120	-	150,120	-	150,120
62414-01	Swimming Pool	88,046,412	7,208,370	95,254,782	-	95,254,782
62416-01	NSC-Hosp Road	11,594,786	0	11,594,786	-	11,594,786
62411	Extension of Admin block	28,801,887	68,776,236	97,578,123	-	97,578,123
62417	Industrial & Tech PA	14,595,259	21,752,039	36,347,298	-	36,347,298
62418-03	Construction of Lab-Nairobi Campu	632,062	-	632,062	-	632,062
62422-01	Purchase of Land-Main Campus	100,000,000	2,437,151,250	2,537,151,250	(2,537,151,250)	-
62422-06	Purchase of Land-Mombasa Campus	-	340,157,911	340,157,911	(340,157,911)	-
62419-01	Construction of Jkuat Boundary Wal	16,419,026	26,564,713	42,983,739	-	42,983,739
62426-01	BEED-Hall 7 Road	3,378,213	14,238,768	17,616,981	-	17,616,981
	<b>TOTAL</b>	<b>517,245,327</b>	<b>2,974,730,622</b>	<b>3,491,975,949</b>	<b>(2,877,309,161)</b>	<b>614,666,788</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

9	INVENTORIES	2013/2014		2012/2013	
		KSHS		KSHS	
	50025 Finance store		26,342,896		29,078,510
	50027 Health Centre		6,153,723		3,794,968
	50029 Petrol pump		799,507		690,485
	50030 Catering Store		1,587,176		1,072,415
	50051 Food Science Store		-		940,816
	50065 Bookshop Main Store		4,398,542		5,917,250
	50194-01 Bookshop Shopfloor		1,670,923		3,540,745
	50194-02 Karen Campus - Main store		5,945,099		5,381,242
	<b>TOTAL</b>		<b>46,897,866</b>		<b>50,416,431</b>
10	<b>TRADE AND OTHER RECEIVABLES</b>				
	86008 Sundry Debtors		129,406,323		163,386,139
	86013 Prepayments		25,759,576		7,753,190
	70003 Grant receivables		122,128,935		127,184,030
	86010 Student debtors		423,080,081		-
	80021 Gratuity		-		77,994
	80022 Pension Scheme		-		700,960
	85024 Dept Petty Cash		139,170		123,400
	84043 R D Cheques		-		-
	86052 Christian Union		86,600		86,600
	86012 Jkuat Department Debtors Account		486,431		539,571
	80053 Versity Loan MOE		15,821		15,821
	86064 Guarantee Deposits		22,002,365		14,640,129
	80065 H.F.C.K house loans		5,016		5,016
	80070 NHC- Houseloan		10,085		10,085
	80073 Staff Car Loan		3,461,653		4,949,105
	80074 NB K Car loans Defaulters		1,279,400		1,279,400
	80079 Staff Housing Mortgage Scheme		1,093,546		1,093,546
	86078 Staff car Loan recoveries		-		76,768
	88082 Honours Donation List		340,000		340,000
	80351 JKUAT Benevolent Fund		390,434		230,000
	80365 NSSF Voluntary Contributions		-		7,800
	88110 J K U.S.O		42,730,931		31,180,168
	80114 Staff Housing Co-op		2,678,109		2,678,109
	80143 Staff Bonus		-		81,666
	80146 Pledges		14,400		-
	80256 Amedo Centre		8,833		8,833
	80261 Staff Loan Repayment - NBK Bank		1,300,503		1,300,503
	80186 University bonus share		95,488		95,488
	86221 Kenet Trust Fund		1,458,776		1,458,776
	88247 ADS ADP Student Union		2,274,867		2,274,867
	88286 JKUATCSO Student Union		2,574,462		2,574,462
	88273 Award Account - Vice Chancellor		1,790,000		1,790,000
	86277 JKUAT Enterprises		3,315,849		3,312,629
	80311 Loan Repayment Staff - KCB		-		54,165
	88314 JKUHRDA		1,258,700		1,258,700
	86337 Kimathi Institute		3,565,696		3,565,696
	86338 Multimedia University		67,760		-
	80339 Equity Loan		67,714		67,714
	85888 Imprest Control		12,419,289		12,914,715
	82134 Incountry Training		-		1,763,064
	82090 3rd Country Training ( A ) (FT)		336,266		336,266 Awaiting confirmation from financier
	82137 Banana Project		1,668,255		1,242,315 Ongoing
	82140 K P T.C./K U A T Transin		680,452		680,452 Awaiting confirmation from financier
	82159 Walking Tractor Project		1,087,519		1,087,519 Awaiting confirmation from financier
	82165 Banana Tissue culture		346,378		336,378 Ongoing
	82213 AICAD		3,459,108		3,459,108 Awaiting confirmation from financier
	82216 Rockefeller Project Prof Kahangi		40,558		40,558 Awaiting confirmation from financier
	82231 American Chemical Society		109,717		109,717 Awaiting confirmation from financier
	82232 UNESCO Chair biotechnology		2,960		2,961 Awaiting confirmation from financier
	82235 ISOTOPIIC NUCLEAR TECHNIQUES		233,449		- Ongoing
	82268 JKUAT World Bank Fund		1,012,635		1,012,635 Awaiting confirmation from financier
	82282 IASTE Students Exchange		1,530,876		1,104,549 Ongoing
	82283 SABS Project Office		1,499,649		1,499,649 Awaiting confirmation from financier
	82396 Unibrain Development grant		718,777		- Ongoing
	82266 Innovations and production project		2,663,602		2,733,202 Ongoing
	82308 AVOIR		381,265		101,265 Ongoing
	82319 Pathfinder Project Itomid		146,706		146,706 Awaiting confirmation from financier
	82320 ICAP COLUMBLA PROJECT INTRO		272,456		272,456 Awaiting confirmation from financier
	82324 Florida University project		44,682		44,682 Awaiting confirmation from financier
	82353 Sweet Potato Project		27,276		27,276 Awaiting confirmation from financier
	82369 FARA		98,020		98,020 Awaiting confirmation from financier
	82373 KMFRI Solar Tunnels		206,871		206,871 Awaiting confirmation from financier
	82394 Association of African Universities Ret		42,469		42,469 Awaiting confirmation from financier
	82398 Applied Geoinformatics for Science		334,670		334,670 Awaiting confirmation from financier
	82400 HORTINLEA -Local Coordination		31,346		- Ongoing
	82402 HORTINLEA - Sub Project 6		377,464		- Ongoing
	82571 Biogas for fuel Project		840,850		769,420 Ongoing
	82572 Bouremouth University Dr Waweru		145,421		145,421 Awaiting confirmation from financier
	88399 Jkuat Wanachuo Investment Co		154,860		- Ongoing
	88400 Staff Land Scheme -Phase 3 (Kajiado)		7,780,400		17,165,798 Ongoing
	82576 Centre for Health Solutions		229,848		78,466 Ongoing
	82578 ANAFE Agribusiness Project		-		254,797 Ongoing
	82579 Nissin Noodles Project		115,000		115,000 Ongoing
	82581 EA Universities ACCESSION Project		33,757		33,757 Awaiting confirmation from financier
	82593 Fish Farming -Dr Joseph Wakibia		-		4,000 Ongoing
	82597 Jkuat - UNAM Video Conf Project		960,827		- Ongoing
	<b>SUB-TOTAL</b>		<b>832,921,202</b>		<b>422,365,491</b>
	<b>LESS</b>				
	90001 Provision for bad debts		66,633,696		33,405,925
	<b>TOTAL</b>		<b>766,287,506</b>		<b>388,959,566</b>

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**

		2013/2014	2012/2013 RESTATED
		<u>KSHS</u>	<u>KSHS</u>
11(a)	<b>CASH AND BANK BALANCES</b>		
80033	KCB Fixed Deposit	42,159,700	78,608,598
84037	Cash in Hand	1,924,696	-
84172	Bank A/C (KCB) Project Current Account	7,328,088	17,716,172
84189	Bank A/C (KCB) Hospital	5,849,755	2,654,086
84190	Bank A/C(KCB) AICAD	226,254	231,294
84191	Bank A/C(KCB) Production	3,943,998	6,094,959
84193	Bank A/C (KCB) Mombasa CBD	-	19,908,688
84225	Standard bank-student fees	3,090,632	4,987,323
84227	KCB - Incountry Training	6,523,999	1,675,068
84240	NBK - CISCO Ruiru	2,046,737	4,393,860
84265	KCB -Bank A/C AIDS Control	210,648	215,688
84302	NBK Student Bursary	1,412,108	1,399,787
84304	STANDARD BANK A/C KAREN CAMPUS	535,729	280,381
84312	KCB JKUAT Babaroa	338,579	6,147
84330	KCB JKUAT Staff Housing Devt. Bank A/C	12,012,163	23,821,317
84331	KCB AGSE A/C	4,075,181	4,072,781
84335	Equity Bank Fees A/C	5,037,226	11,393,196
84336	Cooperative Bank -Fees Account	3,007,203	6,703,021
84343	NBK Fees A/C	4,933,924	9,121,881
84350	BBK Students Fees a/c	8,744,498	5,657,751
84355	Nairobi Campus KCB Bank A/c	3,044,663	26,754,227
84357	Karen Campus KCB Bank A/C.	-	3,025,221
84376	BBK Nairobi CBD Bank account	-	17,744,659
84385	Fundilima FOSA Bank Account	-	671,628
84388	KCB Arusha Bank A/c	4,026,431	552,552
84393	Ecobank	2,428,812	1,610,472
84394	NBK Main A/C	-	1,626,129
84396	KCB Kigali Bank A/c	-	37,599
	<b>TOTAL</b>	<b>122,901,026</b>	<b>251,244,866</b>
11(b)	<b>BANK OVERDRAFT</b>		
84163	BANK A/C KCB-Main	78,162,737	66,839,075
84192	Bank A/C(KCB) CEP	8,272,338	4,722,932
84193	KCB MSA CBD	6,854,196	-
84199	Bank A/C(KCB) - ADP	1,365,356	4,655,675
84270	KCB - SABS	480,946	728,477
84244	KCB BANK A/C RUIRU JKUAT I.T CENTRE	3,325,458	608,987
84357	Karen Campus Bank A/C.	8,713,680	-
84376	NBI CBD Bank (BBK)	1,344,490	-
84381	BBK SHRD	10,394,510	4,074,270
84385	Fundilima FOSA	1,358,007	-
84386	BBK COETEC	7,022,588	20,778,323
84387	Faculty of Agriculture (BBK)	4,746,053	833,125
84394	NBK Main A/C	28,873,449	-
84396	KCB Kigali Bank A/c	697,241	-
	<b>TOTAL</b>	<b>161,611,049</b>	<b>103,240,865</b>

<u>TRADE AND OTHER PAYABLES</u>		<u>2013/2014</u>	<u>2012/2013</u>
		<u>KSHS</u>	<u>KSHS</u>
80005	N.S.S.F	91,315	185,455
80009	Imprest recoveries	6,627,728	5,236,031
80013	Miscellaneous Deduction	729,133	748,133
80022	Pension Scheme	9,847,509	-
80039	Caution Money and key deposit	20,300	20,300
80040-01	Students activity fund	58,683,402	42,517,492
88056	Deposit in Transits	4,640,216	4,562,420
88069	Alumni Association	10,253,278	6,727,786
80076	K.N.A. Loans	546	546
80080	Insurance Claims	2,948,942	4,753,062
80096	Pension Scheme Refunds	788,629	788,629
88130	Students Deposit in Transit	3,394,091	3,394,091
88161/2	Sundry Creditors	905,105,402	714,154,980
80291	Barclays Bank-loan repayment	81,141	81,141
80334	Cooperative loan Githurai	9,204	7,649
88078	Staff Car Loan Recoveries	-	84,444
88284	Jkuat Enterprise recovery	5,106	5,105
88315	Staff Land Scheme-Kalimoni	23,297,010	23,161,370
88388	Staff Land Scheme-Blue post	54,586,725	69,719,504
88999	Stock clearing	-	12,845,049
90020	Provision for Leave Pay	26,180,918	26,180,918
90021	Provision for Audit Fees	3,480,000	3,480,000
		<b>1,110,770,590</b>	<b>919,085,599</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014

**13. INVESTMENTS**

JKUAT Enterprises is a wholly owned Company of JKUAT. The university put an initial capital investment up to Kshs.25.6 million.

Nissin Holdings is a joint venture between JKUAT (30%) and NISSIN (70%). The University invested Kshs.150 Million in the company.

**14. BANK LOAN**

The university obtained a loan from Kenya Commercial Bank of Kshs.2,550,000,000.

**15. BIOLOGICAL ASSETS**

	2013/2014	2012/2013
Balance as at 30.06.2014	Kshs.7,878,700	Kshs.6,951,000

Biological Assets in the university are valued on the basis of prevailing market rate as at the closure of the financial year

**16. CURRENT LIABILITIES**

Included in current liabilities are the project special accounts and grants of Kshs.197,112,191. These were reclassified from University funds and grants following adoption of new reporting standards - IPSAS in this 2013/2014 financial statements, which has had an effect on the working capital.

Other effects on the working capital as reported in the financial statements include:

- a) The university spent Kshs.535,421,461 from internal resources towards financing capital projects namely: lecture halls, laboratories and administration block. These projects are aimed at enhancing student admission capacity and are expected to result in increased cashflows in subsequent financial years.
- b) During the financial year under review, the university anticipated receipt of Kshs.1 Billion from National Treasury to support capital projects in the current financial year. The same is expected to be received in the current period.