


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 APR 2025	DAY: 30.4.25
TABLED BY:	Leader of the majority Party
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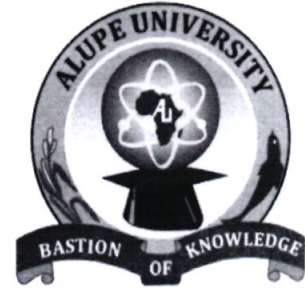
THE AUDITOR-GENERAL

ON

ALUPE UNIVERSITY

FOR THE YEAR ENDED

30 JUNE, 2024



ALUPE UNIVERSITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

GoK	: Government of Kenya
CBA	: Collective Bargaining Agreement
KCB	: Kenya Commercial Bank
AUSO	: Alupe University Student Organization
IGU	: Income Generating Unit
COBES	: Community Based Education and Service
CBK	: Central Bank of Kenya
ICPAK	: Institute of Certified Public Accountants of Kenya
IPSAS	: International Public Sector Accounting Standards
NT	: National Treasury
OCOB	: Office of the Controller of Budget
OAG	: Office of the Auditor General
PFM	: Public Finance Management
PPE	: Property Plant & Equipment
PSASB	: Public Sector Accounting Standards Board
SAGAs	: Semi-Autonomous Government Agencies
VC	: Vice Chancellor

1. Key Alupe University Information and Management

B: Definition of Key Terms

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

Comparative Year- Means the prior period.

(a) Background information

Alupe University was established on 2nd August 2022 vide the Award of the Alupe University Charter 2022. It was formerly Alupe University College established on 24th July 2015 vide a Legal notice number 153 as a Constituent University of Moi University. The University is a body corporate established under Alupe University Charter 2022 within the provisions of the universities Act 2012. Alupe University is domiciled in Kenya and so far, has no branches. The University Council was appointed under special gazette notice No 151 of 5th August 2022.

The University has a total of four schools, namely;

1. School of Health Sciences
2. School of Science Technology and Engineering
3. School of Education and Social Sciences and
4. School of Business, Economics and Human Resource Development.

The University has a total of 16 departments in the four Schools.

(a) Principal Activities

The Principal activities of the University are as follows:

- (i) To provide directly or in collaboration with other institutions of higher learning, facilities for university education (including technology, scientific and professional education) integration of teaching, research and effective application of knowledge and skills to the life and work and welfare of the citizens of Kenya.
- (ii) To participate in the discovery, transmission, preservation and enhancement of knowledge and to stimulate the intellect participation of students in the economic, social, scientific, technological and cultural development of Kenya.
- (iii) To provide and enhance 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 may from time to time determine and in so doing contribute to the manpower needs.
- (iv) To conduct examinations for such academic awards as maybe provided for in the statutes pertaining to the University.

- (v) To examine and make proposals for the new Schools, Institutes, departments, resource and research centers, 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 development through innovations and technological transfer

Key Alupe University Information and Management (continued)

- (viii) To develop as an institution of excellence in teaching, training, scholarship, entrepreneurship, innovations, research and consultancy services.
- (ix) To participate in commercial ventures and other activities for the benefit of the University, the community and stakeholders
- (x) To facilitate student mobility between different programs at different technical training institutions, Universities and Industry; and
- (xi) To foster the general welfare of all staff and students.

Vision

To be a world-class University that is committed to achieving academic excellence, integrity and quality research

Mission

To create, evaluate, apply, preserve and share knowledge in a free, open and inclusive environment of intellectual inquiry, for the betterment of society

Motto

Bastion of Knowledge

Core Values

- **Professionalism**
Embrace integrity in teaching, learning and research
- **Creativity and Innovation**
Commitment to promoting and supporting resourcefulness and the advancement of new ideas
- **Excellence**
Commitment to quality teaching, research and service delivery
- **Good Corporate Governance**
Prudent management of resources and best practice in leadership

Key Alupe University Information and Management (continued)

- **Customer focus**
Endeavour to provide services that meet the needs of the client
- **Teamwork**
Promotion of a spirit of working together, internally and externally in an open and respectful way

(b) Key Management

Alupe University's day to-day management is undertaken by the following key organs:

- University Council
- University Management Board
- Senate
- Deans Committee

(c) Fiduciary Management

The key management personnel who held office during the quarter under review and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Vice Chancellor	Prof. Peter Barasa
2.	Deputy Vice Chancellor Administration, Finance & Development	Prof. John Chang,ach
3.	Deputy Vice Chancellor Academic, Research & Student Affairs	Prof. John Chang'ach
4.	Head of Finance	CPA Imelda Akhonya
5.	Head of Procurement	Ms Jacqueline Walutsachi
6.	Human Resource	Dr. Wilbrodah Muchibi
7.	Registrar (Academics)	Dr Pamela Nyongesa

(b) Fiduciary Oversight Arrangements

1. The Audit and Risk Committee

Alupe University has an active six-member audit and risk management committee that plays an oversight role. The mandate of this committee is as listed below;

The mandate of the Audit Committee includes:

- i. Formulation of policies on internal controls that will enhance security, accountability of resources management and improve on efficiency and transparency.
- ii. Examine internal and External Auditors' findings and recommendations for improvement of internal controls. Monitor management's response to and implementation of internal control.
- iii. Assist the Vice Chancellor in enhancing internal controls in order to improve efficiency, transparency and accountability.
- iv. Resolving unsettled and unimplemented issues raised by the Public Investment Committee (PIC).
- v. Enhancing communication between management, internal and external audit and fostering effective internal audit function.
- vi. Reviewing the systems established to ensure sound public financial management and internal controls as well as compliance with policies, laws, regulations, procedures, plans and ethics.
- vii. Initiating special audits/ investigation on any allegation, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Vice Chancellor.
- viii. Advice on quality and performance monitoring.
- ix. Perform an oversight function as may be requested by the University Council from time to time.

2. Finance, Planning and Development Committee

The mandate of the FPD Committee includes:

- i. Coordinating the infrastructural planning, development of the University both at short- and long-term planning and acquisition and utilization of property. It ensures that all the development of the University is in line with its master plan and consistent with

the laws of the land and that appropriate funding had been sought before commencement of the projects.

- ii. To develop appropriate and conducive policies to guide and promote resource mobilization and income generation activities in the University.
- iii. To be responsible for authorizing expenditure for all maintenance work with the provision that the committee will have authority to delegate the minor maintenance work to an executive sub-committee of the University.

3. Academic, Research and Extension Committee

The mandate of the ARE Committee includes the following:

- i. To provide policy guidelines on university wide research activities and trainings to put in place comprehensive research and training structures for resource mobilization and funding.
- ii. To review all research training and progresses and to deal with all matters related with statutes in terms of format and the contents of the University statutes.
- iii. To set priorities and targets for research activities and advice council on consultancies, technology transfers and intellectual property rights.

4. Human Resource, Development & Administration Committee

The mandate of the HRD & A Committee includes the following:

- i. To review, evaluate and make recommendations on the overall organizational structure, staff establishments, remuneration structure, terms and conditions of service and to provide for the welfare of staff as and when necessary or whenever directed to do so by the Council.
- ii. To review, evaluate and make recommendations for approval of policies and other processes of accountability, internal controls and risk management, taking into account sustainability, ethics and compliance with the Constitution, all applicable laws, regulations and standards.
- iii. To review the Code of Conduct and Ethics of the University employees.

To institute, through a sub-committee, regular reviews of individual members of staff grading with a view to determining whether a member of staff should be promoted.

Entity Contacts

(d) Headquarters of the University

Alupe University
P.O. Box 845-50400
Busia
Off Busia - Malaba road
Kenya

(e) University Contacts

Telephone :(254)0741217185/0722345603
E-mail: Vice Chancellor@au.ac.ke
Website: www.auc.ac.ke

(f) Bankers

1. Kenya Commercial Bank
Busia Branch
P.O. Box 27-50400
Busia, Kenya
2. Co-operative Bank of Kenya
Busia Branch
P.O. Box 326-50400
Busia, Kenya

(g) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084

GPO 00100

Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

3. Council

1. THE BOARD OF DIRECTORS/COUNCIL



Council Chairperson

Dr. Virginia W. Kimani,

- **Doctor of Philosophy (1997)**
- **Crop Science (focus on pesticides Epidemiology)- UON**
- **M.Sc. Plant pathology Pesticides and Residues (1988) –UON**
- **B.Sc. Agriculture (1993) – UON**

Dr. Virginia was born on 7th Feb 1959 and she is the chair of the AU council which she joined on 8th November 2016 for a 4-year term which has been renewed.

She is an independent council member. She is an agriculturist who runs a private consultancy firm on pesticides in Nairobi since 1999.

She has worked with KARI and Ministry of Agriculture between 1984 and 1999 in various capacities.



**Mr. Joseph Vincent Oyile
Council Member**

- **Master of Science (MSc) Political Science, (BIAS, International Relations)- (1986)**
- **Bachelor of Arts (BA) Political Science, Nagpur University, India (1984)**

Mr. Oyile was born on 2nd February 1956 and he is an independent AUC Council member having Joined on 8th November, 2019. He is also the chair of Human Resource Development and Administration committee of Council.

He served as a Deputy County Commissioner, Provincial Local Government Officer from July 2003- January 2007. He worked as a District Officer and Administrative, Officer, and as an Assistant Secretary in the Ministry of Finance, Planning and National Development, Department of Regional and International Cooperation.



**Mr. Samuel Kabiari
Council Member**

- **Master of Business Administration (MBA), Kenyatta University**
- **Bachelor of Science Degree in Agribusiness, Egerton University**

Mr. Samuel Kabiari was born on 19th September, 1983 and he is an independent AUC Council member having joined on 8th November, 2019. He is also the chair Finance, Planning and Development (FPD) Committee of Council.

He is in the banking industry and currently serving as the Branch Manager of I&M Bank, Nyeri.



**Ms. Stella Osoro
Council Member**

- Master's degree in Economics and Bachelor's degree in Economics from University of Nairobi
- Certified Public Accountant (CPAK)

CPA Stella is an Alternate Director, National Treasury and Planning having joined the Alupe University Council on 8th January, 2024.

She is an accountant with an MBA in Economics and CPAK.

She is a seasoned public finance management and public sector economist with experience of 16 years

Her experience is in Sovereign debt management, fiscal policy, risk and public finance management.

She currently works as a Public Sector Economist at the National Treasury. Her work entails development, overseeing, review and monitoring implementation of reforms, policies and capacity building.



**Mrs. Phyllis Chepkemboi
Council Member**

- MBA (Human Resource Management) Degree from Maseno University in 2012.
- Post Graduate Diploma in Law from Kenya School of Law, attained in 2008
- Bachelor of Law (LLB) Degree from Moi University in 2004
- Currently Undertaking CPSK training from KASNEB

Mrs. Phyllis was born on 6th August, 1981 and she is an independent AUC Council member having joined on 8th November, 2019. She is also the chair of Audit and Risk Management Committee of Council.

Currently, she is the managing partner at Chepkemboi Phyllis & Associates Advocates (CPAA). She also worked with Lake Victoria South Water Services Board in 2011 and Mumma Nyagaka & Company. Advocates in 2005.

She is an Associate Member of Mediation Training International.

Member of Law Society of Kenya, and FIDA – Kenya,

She is a Life member of Kenya Red Cross.



**Mr. Darius M. Ogutu
Council Member**

- **Master's in Educational Communication Technology, Language Education (Kenyatta University).**
- **Bachelor of Education in English and Literature (Egerton University)**

Mr. Darius is an Alternate Director, Ministry of Education State Department for Higher Learning and Research having joined the Alupe University Council in May 2024. He is a seasoned Education Policy Analyst, Education Researcher, Policy Advisor and Facilitator, Education Administrator, Quality Assurance and Programme Accreditation expert. His expertise extends to partnerships and collaborations, Curriculum Development, Monitoring and Evaluation, and Education Communication Technology. He has a keen interest in Artificial Intelligence, Education Economics and Planning and is also engaged in governance and sustainable financing of Higher Education to advance a transformative education agenda. With a wealth of knowledge, Beyond his professional commitments, Darius is a passionate youth mentor who actively engages with community and faith-based platforms to inspire and guide the next generation.



**Mr. Mohammed Ali H.
Dahir
Council Member**

- **Master of Science degree in Management Information Systems from University of Nairobi in 2004**
- **Bachelor of Science degree in Physics and Mathematics from University of Nairobi.**

Mr. Ali was born in 1974 and he is an independent AUC Council member having joined on 8th November, 2019. He currently works with UNCHR in Kakuma as the Project Manager in delivery of education content and is the CEO of Future -Tech in Nairobi. From 2010 to 2016, he worked as the Director, Future- Tech. Between 2005 and 2008, he was the Senior Documentarist and Information Management Officer at NEPAD. He also worked with HASS Petroleum Limited Nairobi as a Supplies and Information Manager from 2003 – 2004. He was a TSC Teacher from 1998 – 2003.



Dr. Leonard Kinyulusi
Council Member

- **Doctor of Philosophy: Project Planning and Management from University of Nairobi in December 2019**
- **Master of Arts: Project Planning and Management in August 2014 University of Nairobi**
- **Bachelor: Education Arts November 2003 Moi University**
- **Project Manager, President's Award Kenya (a Government Agency Licensed and working in partnership with The Duke of Edinburgh's International Award), Developing a Communications Strategy and a Brand Manual- Ongoing.**

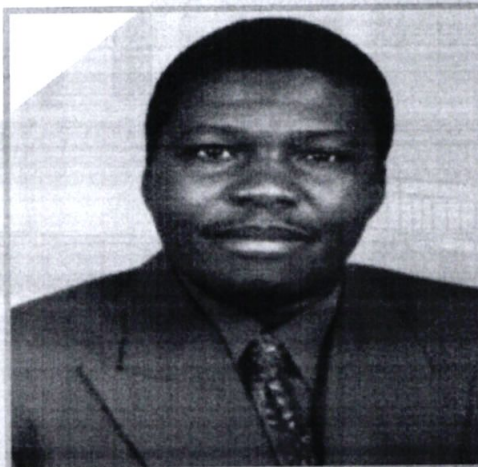
He works with AgriBiz (a Kenya Climate Innovation Centre in partnership with the European Union, Danida and the Government of Kenya), Mentor.

March 2022-March 2023, Member, Political Parties Disputes Tribunal, Judicial Service Commission.

He was a Senior Director with almost 20 years' experience in government and private sector affairs.

Dr. Leonard Kinyulusi is the Founding and Managing Director at Three Dimension (3D) Africa Communications Ltd. and Geekan Kenya Ltd, which are private Consultancy Firms in Kenya that serve Kenya's public and private sectors.

Dr. Leonard Kinyulusi has recently sat on the Judicial Bench of Political Parties Disputes Tribunal in Kenya as a member and was also an Adjunct Faculty of Project Management and Fundraising at the United States International University-Africa from 2019 to June 2022.



Prof. Peter L. Barasa-
Secretary to Council

- **Vice Chancellor**
- **Ph.D.,**
- **Master of Education**
- **Bachelor of Philosophy,**
- **Postgraduate Certificate in Research (The University of Hull, UK)**
- **Diploma in Education (English and Literature- Siriba T.T.C.).**

Vice Chancellor and Chief Executive Officer, Alupe University

4. Key Management Team



Prof. Peter L. Barasa

- Vice Chancellor
- Ph.D.,
- Master of Education
- Bachelor of Philosophy,
- Postgraduate Certificate in Research (The University of Hull, UK)
- Diploma in Education (English and Literature- Siriba T.T.C.).

Vice Chancellor and Chief Executive Officer, Alupe University



Prof. John Chang'ach

- -Deputy Vice-Chancellor (Academic Research and Student Affairs)
- -Doctor of Philosophy (Ph.D) Degree in History, Moi University, 2010
- -Master of Philosophy (M.Phil) Degree in History, Moi University, 2004
- -Bachelor of Education (B.Ed) Arts Degree, Moi University, 1999
- -Diploma in Education (Dip. Ed.), Siriba Teachers' Training College, 1989

Ag. Deputy Vice-Chancellor (Academic Research and Student Affairs) and head of Academic, Research and Student Affairs Division



CPA. Imelda Akhonya

- Deputy Finance Officer
- Ag. HOD, Finance
- Master of Business Administration (MBA)-(Finance Option)-UoN- 2016
- Bachelor of Commerce (BCOM)-(Accounting Option) - KCA University 2013.
- CPA(K)
- ICPAK Member

She is the Deputy Finance Officer and acting head of Finance Department at Alupe University.



Dr. Pamela Nyongesa

- Senior Assistant Registrar (Academics)
- PhD in Business Administration (Human Resource Management Option) - Jaramogi Oginga Odinga University of Science and Technology - 2024
- Master of Science in Human Resource Management - Masinde University of Science and Technology - 2013
- Bachelor of Education Arts (B.Ed.) Moi University - 1994
- Member. Kenya Institute of Management (KIM)
- Associate Member, Institute of Human Resource Management (IHRM)

Senior Assistant Registrar (Academics) at Alupe University.

5. Council Chairperson's Statement

It is with great pleasure that I present this annual progress report for the year ending 30th June 2024. During the year under review, the appointment of the 1st Vice Chancellor of Alupe University was done; followed by the inauguration ceremony which was successfully held on 26th October, 2023.

Alupe University conducted its 2nd graduation ceremony and conferment of bachelor degrees and diplomas for the 3rd cohort of students on 8th December, 2023 at the University grounds. The 2nd cohorts of students were conferred during the 1st graduation ceremony which was held on 18th January, 2023; after the University was awarded Charter on the 2nd of August 2022. The 1st cohort of students graduated under Moi University in December 2021 when we were still a Constituent College of Moi University.

Alupe University is cognizant of the need to review and or develop new programmes to align with the Competence Based Education (CBE) and provide holistic education to the learners. This aims to maintain and enhance quality of education by ensuring that the curriculum aligns with established standards, best practices and accreditation requirements fostering confidence among stakeholders in the University's academic programmes. The University has so far reviewed all the current programmes and developed seven (7) new programmes.

Alupe University managed to recruit new members of staff (both teaching and non-teaching) during the year under review; and reviewed/promoted members of staff who had served in the University for more than 3 years. In addition, the University procured a comprehensive medical cover for the members of staff.

Research is integral to the mission of Alupe University and the society at large, driving innovation, education, economic development, and societal progress. A strong research profile enhances institutional prestige, ranking, and competitiveness on a global scale, attracting collaborations and partnerships with other leading organizations. In the year under review (2023-2024) Alupe University funded 8 research proposals (2 proposals in each school). The University faculty published several research articles in the referred journals. The University intends to establish a research Centre and to establish a multi-disciplinary Research Journal.

Development projects are initiatives aimed at improving the social, economic and environmental well-being of individuals, communities or nations. Alupe University is rapidly expanding in infrastructure development projects as per its work plan and the following projects were completed in the year under review: Construction of Lecture Theatre, Construction of perimeter wall around the Farewell home. The University commenced construction of the Tuition Block and associated Works in the year under review; and proposed to renovation of Main Administration Block and SHS Laboratories, construct Perimeter Wall around the University in phases to improve on security, and procure an automatic Generator (275Kva) to address the issue of untimely power interruption.

Policies are designed to ensure that the University complies with relevant laws, regulations, and industry standards. Alupe University has so far reviewed several policies to promote efficiency and streamline processes to avoid ambiguity and ensure consistency across different departments.

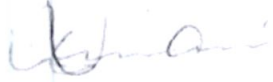
During the year, the Council negotiated, vetted and implemented the performance contract for FY 2023/2024. The University, despite the inadequate funds, implemented most of the indicators stated in the performance contract.

Alupe University has undergone a rigorous process of strategic planning to develop a roadmap for the institution's growth and development over the next five years (2024-2028). The Strategic Plan's key strategic goals are: Improve the quality of education and training; Strengthen capacity for research, innovation and climate action; Enhance governance and Leadership; Strengthen institutional capacity; Establish adequate and appropriate student support systems.

I wish to extend my special thanks to all members of the Council who have diligently supported the University Management during the past year, enabling it to achieve the goals of the institution. I also thank the University Management under the leadership of the Vice-Chancellor for the prudent use of the limited resources.

As we commence the 2024/2025 fiscal year, I wish to assure the Government, the University Management, and the Staff, of the Council's dedication towards mobilizing resources and

providing insightful and supportive oversight to management, to facilitate the achievement of the institution's objectives and plans for the next fiscal year.



CHAIRPERSON

DR. VIRGINIA KIMANI

Date: 26/12/2024

6. The Vice Chancellor's Report

Alupe University was established on 2nd August 2022 vide the Award of the Alupe University Charter 2022. It was formerly Alupe University College established on 24th July 2015 vide a Legal notice number 153 as a Constituent University of Moi University. The University is a body corporate established under Alupe University Charter 2022 within the provisions of the universities Act 2012. Alupe University is domiciled in Kenya and so far, has no branches. The University Council was appointed under special gazette notice No 151 of 5th August 2022.

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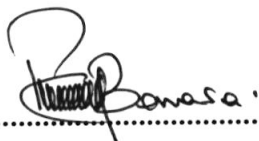
Nevertheless, while we are grateful for the support from Government which has facilitated the above achievements, we faced a number of challenges that collectively had a negative impact on the achievement of the institution's strategic and operational objectives. The main driver of the challenges is inadequate financial resources and delay of disbursement of funds by the

University funding Board and Higher Education Loans Board. This has negatively hampered the operations of the University.

The funding of the Alupe University College has been poor with no attempts to increase the allocation so far to enable it grow as expected for a science focused university. This needs to be up-scaled given its focus on the sciences and the health sciences. Nevertheless, the University has improved in its internally generated revenue with increased student enrollment although it's not still sufficient to sustain it in its progress. It is our humble plea to the Government to fund personnel emoluments fully and the recurrent operations budget as much as possible. It has been a challenge during the year under review to operate with GOK grant of Kshs. 193Million against employee costs of Kshs. 232Million.

Alupe University needs to develop the entire needed infrastructure on its 200 acres of land that a university needs. Alupe University College started from scratch as it did not take over any structures or an existing institution. It started its operations in facilities offered to it by the Alupe Sub- County Hospital with the understanding that in the long run the hospital shall benefit through infrastructure upgrade as the health sciences programs are developed by the University College.

I wish to thank the University Council for its tireless efforts in steering the University this far since its first year of operations despite all the challenges of starting a University College with limited resources.


.....

DATE: 26/12/2024
.....

PROF. PETER BARASA
VICE CHANCELLOR

7. Statement of Performance against Predetermined Objectives for FY 2023/24

As stipulated in Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012, we have included in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Alupe University has five (5) strategic pillars and objectives within its Strategic Plan for the FY 2018/2019- 2022/2023. These strategic pillars are as follows:

1. Establish and promote good governance and a sound corporate image
2. Provide quality University education and training
3. Institutionalize research and extension
4. Develop quality physical and virtual infrastructure
5. Institute Income Generating projects and programs

Alupe University develops its annual work plans based on the above 5 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The University achieved its performance targets set for the FY 2022/2023 period for its five (5) strategic pillars, as indicated in the matrix below:

Implementation Matrix

S/N	Strategic Pillars	Strategic objectives	Strategies/ Activities	Key Performance indicator	Achievement
1	Establish and promote good governance and corporate image	1.1.: Establish and promote a University culture and image for enhanced visibility	1.1.1: Digitize critical services and upload on the E-citizen platform	1.1.1.1: Number of digitized services on the E-Citizen platform	Digitized payments (fees, income generating fees)
			1.1.2: Brand and market University programmes, services and products	1.1.1.2: Number of marketing strategies employed to brand Alupe University	Programmes advertised - through Inauguration events, media and graduation ceremonies.
		1.3. To institutionalize Quality System	1.3.1 Enhance accountability, effectiveness and transparency in the conduct of University activities	1.3.1: AU budget and expenditure outlined in FY 23/24 1.3.2 Number of students attending classes per course	1.3.1.1 Activities performed within the budget; Administrative, teaching and learning, industrial attachment, teaching practice, performance contracting. Done within budget and maintained pending bills less than 1%
			1.3.6 Implement the gender and disability	1.3.2: Implement AU policies on gender and disability	Gender policy was implemented through affirmative action; 2/3rds gender rule in all committees

2	Provide quality University education and training	2.1: Support trainees through industrial attachment, internships and teaching practice	2.1.1 Request for Teaching practice, industrial attachment and Internship for students from AU	2.1.1.1: number of students who proceeded for teaching practice, industrial attachment and internship to other institutions	Over four hundred (400) students proceeded for teaching practice, industrial attachment and internship to other institutions.
			2.1.2 provide slots for industrial attachment and internship to students of other institutions	2.1.3 number of students placed on industrial attachment and internship at AU	Ninety six (96) students were place on attachment while twenty six (26) on internship
3	Institutionalize research and extension	3.1: To develop the intellectual property rights policy	3.1.3: Form a committee to develop the intellectual policy	3.1.3.1: Developed intellectual policy	Approved intellectual policy in place
		3.2 To disseminate research findings	3.2.1 To set a target to each school to research and disseminate information	3.2.1.1 Published articles in referred journals	Forty eight (48) publications attained
4	Develop quality physical and virtual infrastructure	4.3: Institutionalize an Enterprise resource system	4.3.1 To install modules for finance and students management	4.3.1.1 Implemented finance and students management modules	Integrated the finance module with the bank and students management

5	5.1 Institute Income Generating projects and programs	5.1: Initiate the establishment of University Hospital as an IGU to serve the community and create income for AUC	5.1.1 Operationalization of the University Farewell Home as an IGU	5.1.1: Operationalized Farewell home and commercialization of soap and sanitizer plant.	Operationalized Farewell home as an IGU Commercialized the soap and sanitizer innovation
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8. Corporate Governance Statement

Alupe University affirms its commitment to upholding high standards of corporate governance designed to protect the interests of all stakeholders while promoting the highest standards of integrity, transparency and accountability. A key objective of the institution's governance framework is to ensure compliance with legislative and regulatory requirements including compliance with the Constitution of Kenya, Public Finance Management Act, 2015 and Public Procurement and Disposal Act.

1.1 Council meetings

The Council meetings are held quarterly and the first meeting was held on 10th and 11th of July 2023 for the Sub-committees and 24th July 2023 for the full Council. The full Council had 2 special meeting in August on 21st and 25th 2023 respectively to deliberate on SCAC evaluation in quarter I of the financial year. Sub-committees had their second, third and fourth meetings on 16th and 17th October, 2023, 27th and 28th February, 2024 and 13th and 14th June 2024 respectively. The full Council had their third, fourth and fifth special meetings on 11th September, 2023, 8th November, 2023, 7th December, 2023 and 2nd February, 2024 in the second, third, fourth and fifth quarter respectively. Further, the full council held their second meeting on 27th October, 2023 for SCAC evaluation, third meeting on 15th March, 2024 and fourth meeting on 21st June, 2024. The Council members and their meeting attendance are indicated on the last page.

1.2 Succession plan

To ensure continuity and succession in the University Council, members of the Council at their first meeting after appointment determined by lot which two of their members shall vacate office after a period of three and four years respectively to ensure continuity in the activities of the Council as per section 35(5) of the Universities Act. In addition, the council members were not appointed on the same day. However, appointment of Council members is vested with the Cabinet Secretary and therefore the Council may not fully determine this succession plans.

1.3 Existence of a Council charter

The Council has a charter in place for guidance while defining the University's strategies, objectives and values and ensures that the procedures and practices are set up in place to ensure effective control over strategic, financial, operational and compliance issues.

1.4 Process of appointment and removal of Council Members

Appointment of Council members at Alupe University was pegged on the Universities Act 2012, whereby the appointment is done by the Cabinet Secretary, Ministry of Education in accordance with Section 36 of the Universities Act 2012 amended 2016 2018 and 2020. The governance parameter on process of appointment of council members as the oversight body was transparent and formal. The Council members include the Chairperson, two Principal Secretaries in charge of University education and finance respectively, five members appointed by the Cabinet Secretary through an open process and the Vice Chancellor of Alupe University who is an ex officio member of the council as per Section 36(1) of the Universities Act. The Council members bring their diverse experience and qualification into the Council's deliberations.

Removal of Council members is as stipulated in section 11 of the Alupe University Charter, the Universities Act 2012 and the State Corporations Act.

1.5 Roles and functions of the Council

As a steward of the University resources, the Council formulates policies that guide in the resource planning, mobilization, allocation and provides conducive environment for the implementation of its objectives. These are driven through council meetings which are held once in each quarter. During the financial year 2023/2024, there were four full quarterly council meetings and there was quorum in each of them. The council on the other hand has set up 4 sub-committees with well-defined terms of reference to discharge on its behalf specific mandates in order to hasten specific decisions relating to the given mandates so as to attain efficiency and effectiveness in the overall discharge of responsibilities.

The sub-committees include;

- (a) Academic, Research and Extension;
- (b) Finance, Planning and Development;

- (c) Human Resource, Development and Administration; and
- (d) Audit Committee.

The functions of full council meetings and sub- committee meetings include the following:

- a) Acquire land, buildings, premises, furniture and equipment including specialized scientific equipment, vehicles, and machinery and other means and facilities required for carrying out work and achieving the objects of the University in accordance with the Charter;
- (b) Make the appointments authorized by the Order and these Statutes;
- (c) Establish, confirm, abolish or suspend any professorship, lectureship or other academic posts on the recommendation of Senate;
- (d) Promote and make financial provision and facilities for research within the University;
- (e) Make new or additional Statutes, and alter, amend or revoke existing statutes on recommendation of the senate.
- (f) Create or abolish faculties, schools, institutes, departments, divisions, centres or other units of learning and research of the University from time to time on the recommendation of the Senate, in accordance with and as provided by these Statutes ;
- (g) Plan, govern, manage and regulate the finances, accounts investments, property, business and all affairs of the University;
- (h) Determine the fees payable to the University on recommendations of senate etc.

1.6 Induction and training

The new Council members were appointed on 5th August, 2022 and were inducted on 21st – 25th August 2023 by SCAC.

1.7 Council and member performance

The evaluation of the Council was conducted on 27th October, 2023 by SCAC.

1.8 Conflict of interest

In each meeting a conflict-of-interest register was signed by all members present and in the financial year no conflict of interest was declared by any member.

1.9 Council Remuneration

Remuneration of the Council members is pegged on meetings attended as they are paid sitting allowance for each meeting attended and night out for the period; they are on University official function as per the rates provided for in the national treasury circular for payment of sitting allowances and per diems. The chairperson is also entitled to a monthly honoraria and telephone allowance.

1.10 Ethics and conduct as well as governance audit.

Council evaluation for 2023/2024 FY was conducted in October 2023 and the evaluation report is due for presentation in July 2024.

1.0 FULL COUNCIL MEETINGS

2.1 Almanac of Meetings for Au Council 2023/2024

MONTH	COUNCIL	AUDIT	FPD	HRDA	ARE	SCAC Evaluation
JULY 2023	24 th	11 th	11th	10 th	10th	
AUG	21 st & 25 th					
SEP	11 th					
OCT	27 th	17 th	17 th	16 th	16 th	27 th
NOV	8 th					
DEC	7 th					
JAN 2024						

Alupe University
Annual Report and Financial Statements
For the year ended June 30, 2024.

FEB	2 nd	28 th	28 th	27 th	27 th	
MAR	15 th					
APR						
MAY						
JUNE	2 nd	14 th	14 th	13 th	13 th	

Note: All meetings start at 9.00am unless otherwise specified in the invitation memo.

2.2 The Council Meeting Attendance

The Council consists of ten members inclusive of the Vice Chancellor as the Secretary. The Council members and their meeting attendance are indicated below;

FULL COUNCIL ATTENDANCE PER INDIVIDUAL					
		1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
No.	Name	24.07.2023	27.10.2023	15.03.2024	21.06.2024
1.	Dr. Virginia Kimani	✓	✓	✓	✓
2.	Dr. Leonard Kinyulusi	✓	✓	✓	✓
3.	Ms. Phyllis Chepkemboi	✓	✓	✓	✓
4.	Mr. Samuel Kabiaru	✓	✓	✓	✓
5.	Mr. Joseph Oyile	✓	✓	✓	✓
6.	Mr. Festus Marangu	✓	✓	✓	✓
7.	Mr. Mohammed Ali	✓	✓	✓	✓
8.	Ms. Stella Osoro	x	x	✓	✓
9.	Mr. Darius Ogutu	x	x	✓	✓
10.	Prof. Peter Barasa	✓	✓	✓	✓

In-Attendance					
11.	Mr. Eliud M. Kamau	x	✓ (SCAC)	x	x
12.	Ms.Cecilia N. Wakahiu	x	✓ (SCAC)	x	x

Council Committees Meeting Attendance

AUDIT AND RISK MANAGEMENT COMMITTEE					
		1st Quarter	2nd Quarter	3rdQuarter	4th Quarter
No.	Name	11.07.2023	17.10.2023	28.02.2024	14.06.2024
1.	Ms. Phyllis Chepkemboi	✓	✓	✓	✓
2.	Mr. Joseph M. Oyile	✓	✓	✓	✓
3.	Mr. Darius Ogutu	x	x	x	x
4.	Ms. Stella Osoro	x	x	✓	✓
5.	Mr. Festus Marangu	x	✓	x	✓
6.	Dr. Leonard Kinyulusi	x	✓	x	x
In- Attendance					
7.	Mr. Norbert Musina	✓ (Internal Auditor)	✓	✓	✓

HUMAN RESOURCE DEVELOPMENT AND ADMINISTRATION					
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
No.	Name	10.07.2023	16.10.2023	27.02.2024	13.06.2024
1.	Mr. Joseph Oyile	✓	✓	✓	✓
2.	Ms. Phyllis Chepkemboi	✓	✓	✓	✓
3.	Ms. Festus Marangu	✓	✓	x	✓
4.	Mr. Mohamed Ali	x	x	✓	✓
5.	Ms. Stella Osoro	x	x	✓	✓
6.	Prof. Fabian Esamai	✓	x	x	x
7.	Prof Peter Barasa	x	✓	✓	✓

ACADEMIC RESEARCH AND EXTENSION					
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
No.	Name	10.07.2023	16.10.2023	27.02.2024	13.06.2024
1.	Mr. Mohammed Ali	x	✓	✓	✓
2.	Mr. Samuel Kabiaru	✓	✓	✓	✓
3.	Mr. Darius Ogutu	x	x	x	x
4.	Mr. Festus Marangu	x	✓	x	✓
5.	Ms. Stella Osoro	x	x	✓	✓
6.	Dr. Leonard Kinyulusi	✓	✓	✓	✓

7.	Prof. Fabian Esamai	✓	x	x	x
8.	Prof. Peter Barasa	x	✓	✓	✓

FINANCE PLANNING AND DEVELOPMENT					
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
No.	Name	11.07.2023	17.10.2023	28.2.2024	14.06.2024
1.	Mr. Samuel Kabiaru	✓	✓	✓	✓
2.	Dr. Leonard Kinyulusi	✓	✓	✓	✓
3.	Mr. Festus Marangu	x	✓	x	✓
4.	Mr. Darius Ogutu	x	x	x	x
5.	Mr. Mohamed Ali	x	x	✓	✓
6.	Ms. Stella Osoro	x	x	✓	✓
7.	Prof. Fabian Esamai	✓	x	x	x
8.	Prof. Peter Barasa	x	✓	✓	✓

9. Management Discussion and Analysis

SECTION A

a.) Core Business

Alupe University has the mandate of teaching, research and community outreach. Teaching, learning and research take place in academic departments which make up the four schools of the University namely the school of: -

- i.* School of Health Sciences
- ii.* School of Science Technology and Engineering
- iii.* School of Education and Social Sciences and
- iv.* School of Business, Economics and Human Resource Development.

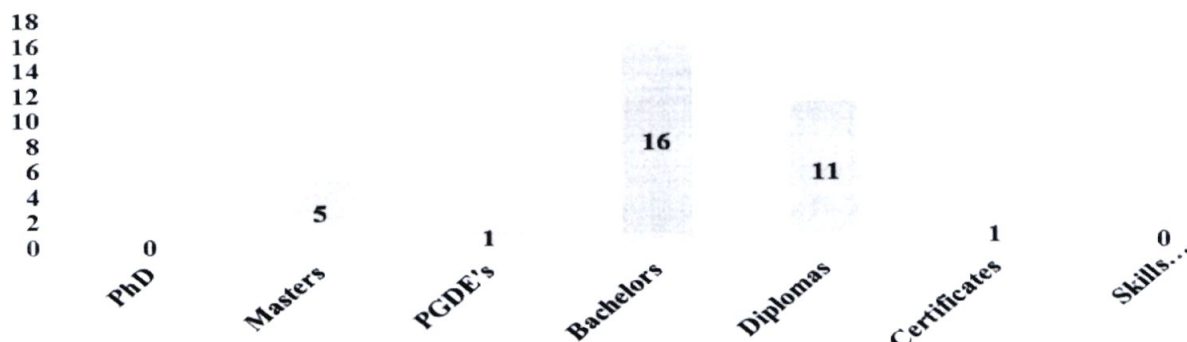
b.) Academic programs

At the moment the university is offering one program at Certificate level, eleven programs at Diploma level, sixteen programs at bachelors' level, one programs at post graduate diplomas and five programs at Masters Level all at full time basis as shown in **Table 1 and Chart 1 below.**

Table1: Academic Programs

LEVEL	PhD	Masters	PGDE's	Bachelors	Diplomas	Certificates	Skills Enhancement Programs	Total
Number of Programs	0	5	1	16	11	1	0	34
Mode of Study	n/a	Full time	Full time	Full time	Full time	Full time	n/a	n/a

Chart1: Academic Programs



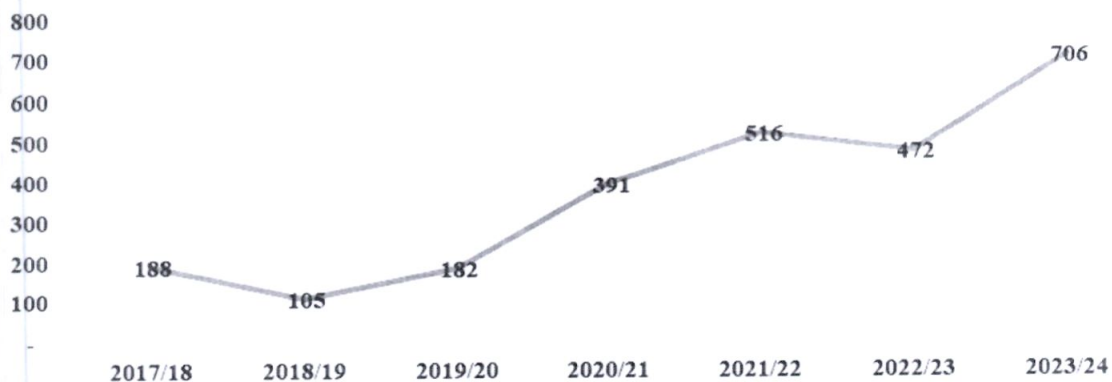
c.) Student Enrollment

During the 2023/2024 Financial year, the university had a total enrollment of 1,379 continuing students and enrolled 706 first year students out of which Government sponsored students were 689 and self-sponsored students were 17 totaling to 2,085 student population by the end of Quarter four of FY 2023/2024 as shown in *Table 2 and Chart 2 below*

Table2: Student Enrollment

Level	Student Enrollment For Each Year							Total
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
PhD	-	-	-	-	-	-	-	-
Masters	-	-	-	-	10	4	1	15
PGDE	-	-	3	-	3	-	1	7
Undergraduates	185	98	175	389	490	466	669	2,472
Diplomas	3	7	4	1	12	2	35	64
Certificate	-	-	-	1	1	-	-	2
Total	188	105	182	391	516	472	706	2,560

Chart2: Student Enrolment



The University's strategy to enhance enrolment includes vigorous marketing of the privately sponsored programs through exhibitions, road shows, career talks, brochures among others in a bid to attract students even across borders since the University is on the border of Kenya and Uganda.

d.) Alupe University Graduation matrix

The University had its first cohort graduate in December, 2021 where the students graduated at Moi University as the university by then was still a constituent College of Moi University.

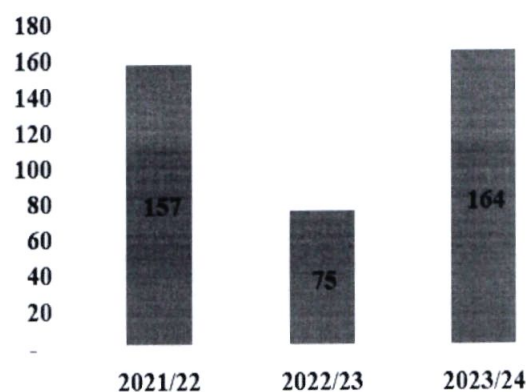
The 1st Graduation was held in January, 2023 at Alupe University grounds as the university had now been chartered and eligible to carry out its own graduation, while the second Graduation ceremony was held in December 2023.

The graduation matrix is as tabulated on the next page in Table 3 and Chart 3.

Table3: Graduation Matrix

Level	Year of Graduation			Total
	2021/22	2022/23	2023/24	
PhD	-	-	-	-
Masters	-	-	-	-
PGDE	1	2	-	3
Bachelors	147	73	158	378
Diplomas	9	-	6	15
Certificate	-	-	-	-
Total	157	75	164	396

Chart3: Graduation Matrix



e.) Alupe University's operational and financial performance

The University was chartered on 2nd August 2022 and the Council was appointed and had its first council appointed on 5th August 2022.

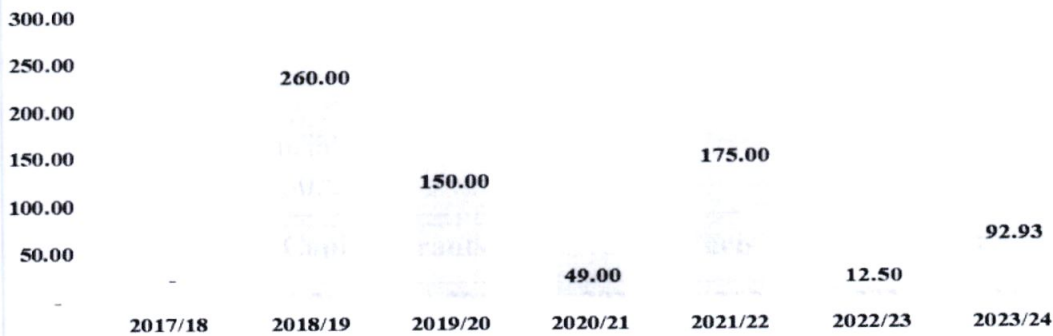
During the period under review, the University has received Kshs 92.93 Million as Development grant, for the completion of Lecture Theatre and Construction of Tuition Block.

Table 4 and Chart 4 below shows spread of capital grants received since FY 2017/2018.

Table4: Capital grants

Capital Grants	Capital Grants Received For Each Year in Millions						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Amount	-	260.00	150.00	49.00	175.00	12.50	92.93

Chart4: Capital Grants Received in Millions



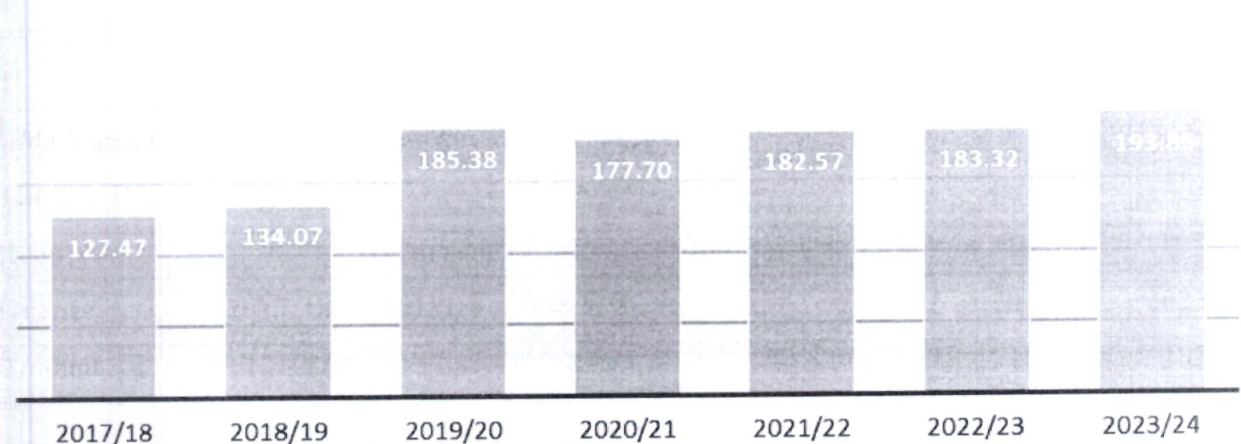
During the financial year 2023/24, the University has been allocated Kshs 193.85 Million by the Ministry of Education for recurrent expenditure and during the period under review, the Government had disbursed a total of Kshs 177.70 Million as recurrent grant leaving a receivable of Kshs. 16.15 Million that relates to June capitation.

Table 5 and Chart 5 below shows spread of recurrent grants received since FY 2017/2018.

Table5: Recurrent grants

Recurrent Grants	Recurrent Grants Received For Each Year in Millions						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Amount	127.47	134.07	185.38	177.70	182.57	183.32	193.85

Chart5: Recurrent Grants Received in Millions



The funds received from GOK, Student fees and other sources of income were utilized in meeting Employee costs, rendering of services, Council remuneration and other recurrent expenditure as shown in *Table 6 and Chart 6 below*.

Chart 6: Sources of Revenue for the period under review

Table 6: Sources of revenue during the period		
Source	% of Total Revenue	Amount in Kshs.
GOK	52%	193,854,767
Student Fees	46%	171,676,500
Other Income	2%	8,883,706
Total revenue	100%	374,414,973

Chart 6: Sources of Revenue During the period

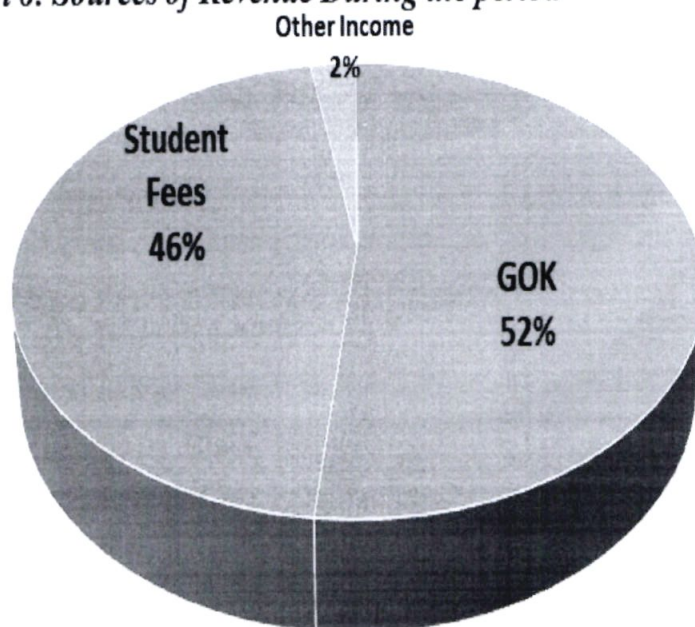
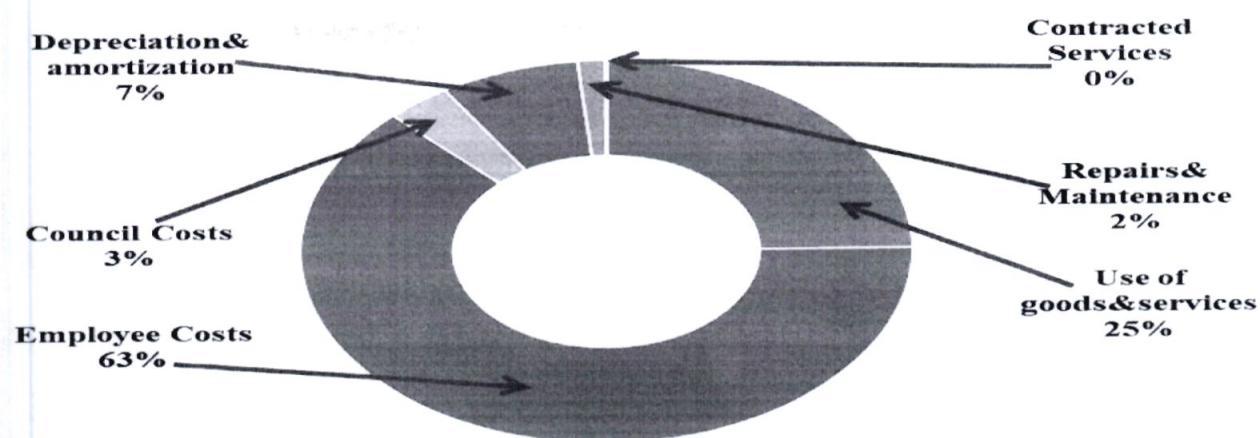


Table 7 and Chart 7: Distribution of expenses for the period under review

Table 7: Expenses Distribution during the period

Costs	Expenditure Class						Total
	Use of goods & services	Employee Costs	Council Costs	Depreciation & amortization	Repairs & Maintenance	Contracted Services	
Amount	91,125,464	232,008,613	12,778,687	27,073,801	5,393,490	285,790	368,665,845
%	24.7%	62.9%	3.5%	7.3%	1.5%	0.1%	100.0%

Chart 7: Expenses Distribution



SECTION B

University's compliance with statutory requirements

During the period under review the University endeavored to adhere to the Government set statutory requirements in its operations as a legal entity, such as remittance of with-holding tax (V.A. T), P.AY. E, NHIF, NSSF, Pension and HELB within the stipulated deadlines.

SECTION C

Key projects and investment decisions the entity is planning/ implementing

During the period under review, the University progressed on well with its capital projects that were approved during the period. The University has so far received Kshs. 92.93 million for capital development of which Kshs 80 Million relates to the Construction of Tuition block whereas 12.93 million will be utilized in payment of contractors constructing a Lecture Theatre which is still an ongoing project.

Table 8 below shows key projects that were undertaken during the period under review.

Table 8: Key Projects in the period under review

Project Distribution	Cost in Millions	Funded by	Completion % to date
1. Construction of Lecture Theatre	139	GOK	99%
2. Construction of Tuition Block	500	GOK	20%

1. Ongoing Construction of Alupe University Lecture Theatre

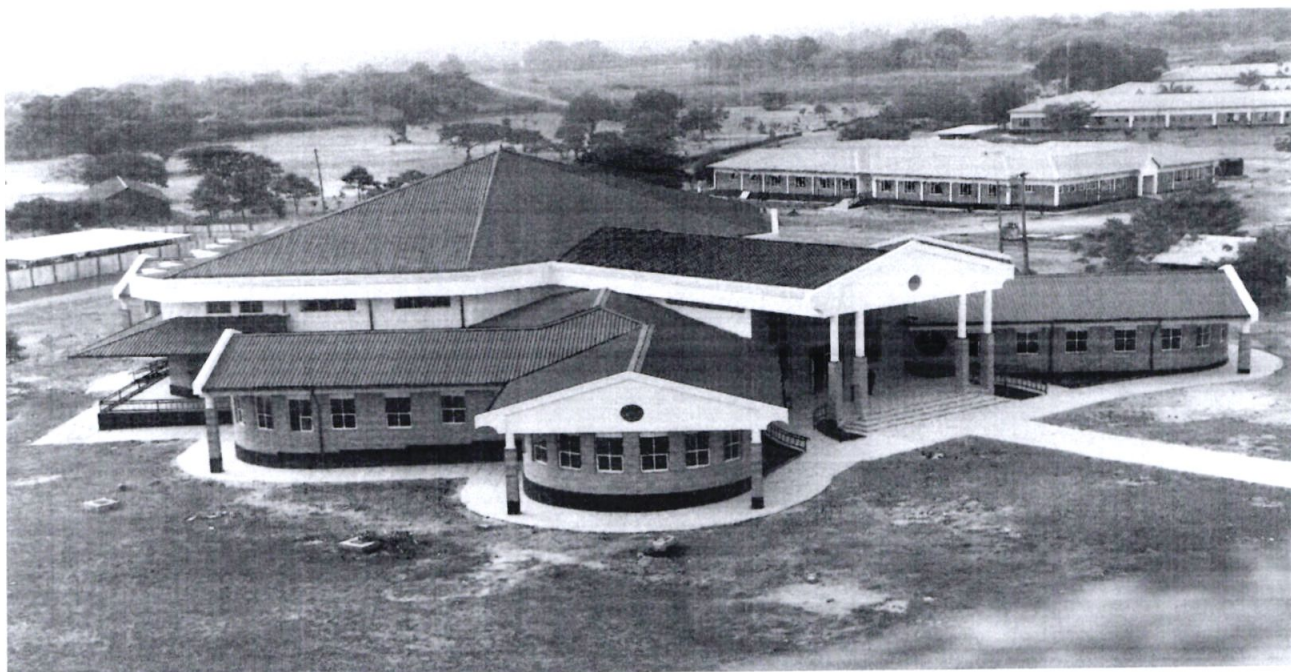


Photo-1: AU Lecture Theatre at 99% Complete

2. Ongoing Construction of Alupe University Tuition Block

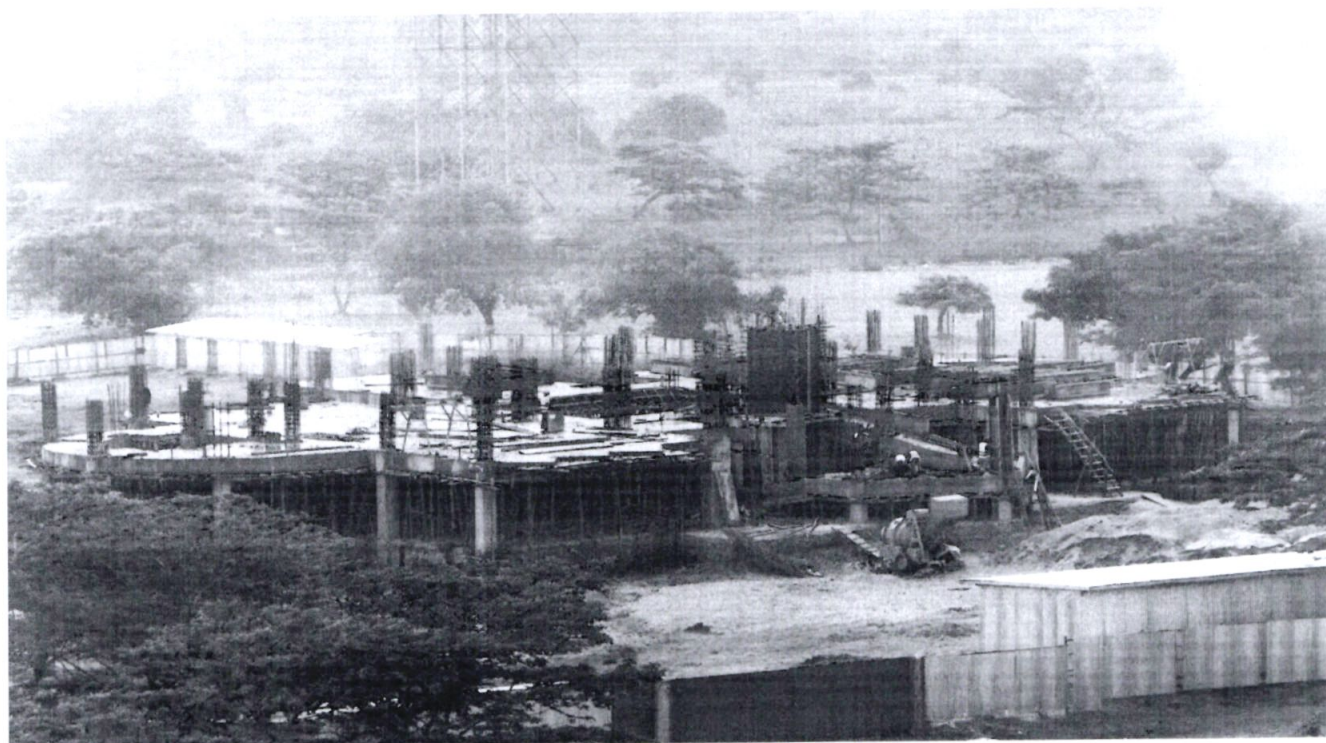


Photo-2: AU Tuition Block at 20% Construction

SECTION D

Major risks facing the entity

Since the University is relatively new, it is exposed to majorly liquidity risk. Liquidity risk relates to the University's inability to meet its obligations as and when they fall due. The University has operated with limited funds disbursed by the Government and therefore it ensures that it has sufficient cash on demand before incurring any operational expenditure.

During the period under review the university identified two (2) major potential risks and their mitigation measures as shown in *Table 4 below*

Table 9: Identified high risks and the mitigation measures

S/N	Identified Potential Risk	Mitigation Measures
1	Liquidity Risk	The University has put mechanisms in place to ensure that it has sufficient cash on demand before incurring any operational expenditure
2	Inadequate Teaching and Learning Facilities	Through government funding the university has constructed Lecture rooms, laboratories and Library Phase 1 which is at 100% completion.

SECTION E

Material arrears in statutory/financial obligations

Alupe University did not have any material arrears this financial year.

SECTION F

The University's financial probity and serious governance issues

Alupe University did not have any financial probity and there was no report against it during the year.

10. Environmental and Sustainability Reporting

Alupe University exists to transform lives through training, research and extension services. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer first, delivering relevant services, and improving operational excellence. Below is an outline of the organization's policies and activities that promote sustainability.

i) Sustainability strategy and profile

Alupe University is a science focused institution whose core mandate is teaching, research and extension. Being a young university, having started as a constituent college of Moi University in 2017 and later chartered in 2022, it is committed in its sustainability even with limited resources. The institution has engaged in publicity strategies aimed at attracting more self-sponsored students from within Kenya beyond borders as well as establishing income generating activities such as a welfare/funeral home so as to mobilize resources. The University has come up with strategies to keep wage bill sustainable such as outsourcing non-core functions and activities.

The institution has also signed international collaborations with foreign universities and research institutions such as Vives University, Arden University and University of East Carolina. There are also existing MOUs with the County Government of Busia and research and training institutions such as KEMRI, KALRO, Lake Basin Authority and the Kenya Chamber of Commerce and Industry with the aim of establish university-industry links and a long term goal of having an industrial park within the university.

ii) Environmental Performance

Alupe University is committed to upholding national and international policies and guidelines on the preservation of the environment and mitigation to climate change. Waste disposal measures are in place where garbage waste is collected in strategically located waste bins around the university and disposed of by burning and incineration for medical waste. Effluent from laboratories is disposed of in separate septic tanks from the normal human waste ones. The institution works closely with the health authorities in the County for solid medical waste management through recommended medical waste guidelines.

NEMA approved all buildings before the University infrastructure was established. Elaborate greening programme has been put in place where trees have been planted yearly within the University compound with the recent presidential directive on tree planting boosting the exercise.



Plans are also underway to establish a botanical garden and an agricultural demonstration farm within the university.



Employee welfare

Alupe University upholds employee welfare with high esteem in line the provisions of the 2010 constitution of Kenya and other existing provisions of laws and regulations.

The University has policies guiding the hiring process of staff. These are:

- i) Alupe University Human Resource Manual
- ii) Alupe University Statutes
- iii) Scheme of Service for non- teaching staff
- iv) Commission for University Education Harmonized Criteria for Appointment and Promotion of Academic Staff in Universities in Kenya
- v) Moi University Academic Staff Appointment and Promotion Policy
- vi) Public Service Commission Human Resource Policy Manual, 2016
- vii) Labor laws (Employment Act, Labor relations Act 2007, Institutions Act, Occupational safety Health Act, Work Benefits Injury Act 2007).

The process involves stakeholder engagements where user departments determine their staffing needs and make requests for such staff. Students as the key stakeholders have their representatives in the Senate where issues concerning staffing needs for the Academic Division are deliberated.

Currently the University has a workforce of 106 both teaching and non-teaching staff with a gender (male: female) ratio of 66:40. However, the ethnic diversity has not be fully achieved owing to the small workforce and the immediate needs of the institution. However, the trajectory shows that this will be achieved over a few years.

The University allows staff to take study leaves and where possible facilitating them to attend capacity building seminars and workshops in their areas of specialization as well as organizing relevant in-house trainings and workshops. Despite having no monetary reward system in place, the institution carries out annual staff appraisal to evaluate the performance of all staff.

The university has complied with OSHA (2007) and has a Fire and Disaster Management Policy as well as a Fire Master Plan in place. The University conducts sensitization workshops on safety and Standard Operating Procedures (SOPs) and provides Personal Protective Equipment (PPEs) for its staff.

iii) Market Place Practices

a) Responsible Competition Practice.

The university has responsible political involvement by maintaining principle of neutrality on political matters. Staff recruitment is open fair and competitive through advertisement in the university website and newspapers with national circulation.

The University promotes fairness in procurement process by employing open and competitive procurement methods for goods and services. The institution also has anti-corruption prevention committee in place.

b) Responsible Supply Chain and Supplier Relations

Alupe University adheres to regulatory requirements governing Procurement and Supply Chain Management such as Public Procurement & Asset Disposal Act 2015 and Regulations of 2020 to ensure fair procurement practice and prompt payment of Suppliers and Service providers once the Procurement cycle is complete. The procurement process is open involving relevant committees comprising of different members at every stage of the procurement cycle. The University also ensured that 40% of its purchases promote the local content products. The university normally organizes for capacity building workshops to sensitize suppliers and service providers on the requirements in the procurement process.

c) Responsible Marketing and Advertisement

Alupe University maintains responsible marketing and advertisement measures. A Systems Administrator controls and uploads all contents on the University website or portal. Advertisements in the print and audio-visual media are done in a responsible manner without undercutting competitors.

d) Product Stewardship

The University has a service charter in place both in English and Kiswahili as well as in sign language (visual) with specific timelines for various services offered by the institution. It has also put in place anti-plagiarism mechanism to protect intellectual properties scholarly works.

V) Corporate Social Responsibility / Community Engagements

Alupe University has maintained healthy university-community relationship by having students reside in university identified hall of residence within the neighborhood. Students organized in small groups and clubs are involved in community activities such visiting children's homes and giving donations, cleaning market places and giving mentorship talks to basic education learners within the immediate community. Medical Science students are also involved COBES in the health centers and sub-county hospitals where they provide service in these facilities by having one on one interaction with members of the community. Students from School of Education also undertake annual teaching practice and practicum in the schools in the region.

The university supports annual research by staff within the region on issues affecting the communities and provide feedback is provided to communities through publications and workshops. The University conducts quarterly community engagements in the area of HIV/AIDS through community meetings and sensitization.

11. Report of the University Council

The Council submitted their report together with the financial statements for the year ended June 30, 2024 which show the state of Alupe University affairs.

i) Principal activities

The principal activities of Alupe University are to offer higher education, research and extension services.

ii) Results

The results of the entity for the year ended June 30, 2024 are set out on page 1 to 5

iii) Council Members

The Council members who served during the year are shown on pages (xxi) to (xxv)

iv) Auditors

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

By Order of the Council



Chairperson Council

Date: 26/12/2024

12. Statement of Council Members Responsibilities

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

The Directors 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, 2024. This responsibility includes;(i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, 2012. The Directors further confirm the completeness of the accounting records maintained by the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial control.

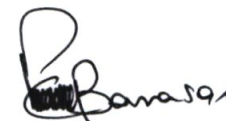
Nothing has come to the attention of the Directors to indicate that the University will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

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



Name: Dr. Virginia Kimani
Chairperson of the Council



Name: Prof. Peter Barasa
Vice Chancellor

REPUBLIC OF KENYA

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



Enhancing Accountability

HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ALUPE UNIVERSITY FOR THE YEAR ENDED 30 JUNE, 2024

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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Alupe University set out on pages 1 to 49, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Alupe University as at 30 June, 2024 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 Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there were no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

As disclosed under the progress on follow up of auditor's recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2024. Management has not provided satisfactory reasons for the delay in resolving the issues.

Other Information

The University Council responsible for the Other Information set out on page iv to vi which comprise of Key Entity Information and Management, The Council, Management Team, Chairman's Statement, Report of the Vice-Chancellor, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Council, Statement of Council's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the University's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit

Report of the Auditor-General on Alupe University for the year ended 30 June, 2024

or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information and I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Holding of More Council Meetings than Stipulated

The statement of financial performance reflects council expenses amounting to Kshs.12,778,687 as disclosed in Note 12 to the financial statements. During the year under review, the university council held ten (10) meetings which exceeded the maximum required six (6) meetings by four (4), contrary to Part A, Paragraph 2 and 3 of Executive Office of the President Circular referenced OP/CAB.9/1A of 11 March, 2020.

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

2. Irregular Membership of Council Committees

During the year under review, two (2) council members had membership in more than two committees of the council contrary Executive Office of The President Circular No. OP/CAB 9/1A of 11 March, 2020 on the management of state corporations, Paragraph B (4) and (5) which provides that the number of members to committees should be no more than one third (1/3) of the full board to obviate the risk of a committee conducting its business within the framework of a full board structure. Further, members can only sit in a maximum of two committees. The two members were sitting in Human Resource Development and Administration, Academic Research and Extension, Finance and Planning, and Audit and Risk Management Committees.

3. Irregular Subscriptions Fees to Vice Chancellor's Committee Kitty

The statement of financial performance reflects use of goods and services amounting to Kshs.91,125,464, which as disclosed Note 10 to the financial statements includes subscription to regulatory bodies amount of Kshs.6,478,940. The subscriptions include an expenditure Kshs.609,481 to the Vice-Chancellor's committee kitty which were payments of Kshs.300,000 and Kshs.309,481 made to Technical University of Kenya and

University of Embu respectively. However, no explanation was not provided for making payments to public universities on behalf of vice-chancellor's committee kitty. Further, the basis for the payment and the legal backing for the existence of the committee was not disclosed.

In the circumstances, the regularity of the expenditure amounting to Kshs.609,481 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

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

Basis for Conclusion

1. Failure to Submit Council Almanac for Approval

During the year under review, Alupe University council did not submit their Almanac through the parent ministry for approval as required by Executive Office of the President Circular No. OP/CAB.9/1A dated 11 March, 2020 on management of state corporations Paragraph A (1) which stipulates that all board of directors are required to submit their annual ALMANAC to State Corporations Advisory Committee (SCAC) through the parent ministry by 30 June every year. This should be based on the original workplan, statutory obligations of board and available budget.

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

2. Internal Controls Weaknesses

During the year under review, the University did not have Information Communication Technology (ICT) steering and ICT strategic committee, an ICT continuity plan, risk management policy, ICT security policy, ICT strategic plan and ICT operational plans. In addition, a formal risk assessment was not carried out in the university.

In the circumstances, the security, integrity, and confidentiality of data and information could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 the Management and University Council

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

In preparing the financial statements, Management is responsible for assessing the University's ability to sustain services, disclosing, as applicable, matters related to sustainability of the services and using the applicable basis of accounting unless Management is aware of the intention to terminate the University or cease its operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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.

Report of the Auditor-General on Alupe University for the year ended 30 June, 2024

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

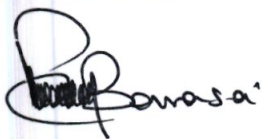
Alupe University
Annual Report and Financial Statements
For the year ended June 30, 2024.

14. Statement of Financial Performance for the year ended 30 June 2024

Description	Notes	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6 (a)	193,854,767	183,316,260
		193,854,767	183,316,260
Revenue from exchange transactions			
Rendering of services	7	171,676,500	54,936,700
Sale of goods	8	4,800	54,600
Other Income	9	8,878,906	14,336,729
		180,560,206	69,328,029
Total revenue		374,414,973	252,644,289
Expenses			
Use of goods and services	10	91,125,464	47,936,122
Employee Costs	11	232,008,613	199,357,023
Council Expenses	12	12,778,687	3,903,592
Depreciation and amortization expense	13	27,073,801	24,604,757
Repairs and Maintenance	14	5,331,586	1,373,363
Contracted Services	15	285,790	-
Bank Charges	16	61,904	74,189
Total expenses		368,665,845	277,249,046
Surplus/(deficit) for the period		5,749,128	(24,604,757)

The notes set out on pages 6 to 28 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:

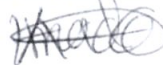
Prof. P.Barasa
Vice Chancellor



Date: 26/12/2024

I. Akhonya
Head of Finance

ICPAK M/No. 20102



Date: 26/12/2024

Dr.V Kimani
Council Chairperson

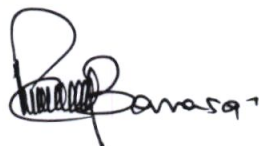
Date: 26/12/2024

15. Statement of Financial Position as at 30 June 2024

Description	Notes	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	29,887,929	83,173,003
Current portion of receivables from exchange transactions	18	16,158,897	5,162,949
Receivables from non-exchange transactions	19	16,154,564	-
Inventory	20	1,201,642	831,764
Total Current Assets		63,403,032	89,167,716
Non-current assets			
Property, plant and equipment	21	1,275,062,001	767,934,051
Intangible assets	22	498,666	997,508
Total non - current assets		1,275,560,667	768,931,559
Total assets		1,338,963,699	858,099,275
Liabilities			
Current liabilities			
Trade and other payables	23	100,712,278	73,180,491
Refundable deposits from customers	24	12,349,513	3,177,828
Current provisions	25	-	-
Total current liabilities		113,061,791	76,358,319
Total liabilities		113,061,791	76,358,319
Net assets			
Reserves		384,500,000	135,679,800
Accumulated surplus/deficit		(53,271,429)	(155,684,666)
Capital Fund		894,673,337	801,745,822
Total net assets		1,225,901,908	781,740,956
Total net assets and liabilities		1,338,963,699	858,099,275

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

Prof. P.Barasa
Vice Chancellor



Date: 26/12/24

I. Akhonya
Head of Finance

ICPAK M/No. 20102



Date: 26/12/2024

Dr. V Kimani
Council Chairperson



Date: 26-12-24

16. Statement of Changes in Net Assets for the year ended 30 June 2024

Description	Notes	Revaluation reserve	Retained earnings	Capital/ Development Grants/Funds	Total (Kshs)
As at 1 July 2022		135,679,800	(131,079,909)	789,245,822	793,845,713
Revaluation gain		-	-	-	-
Adjustments during the period		-	-	-	-
Surplus/Deficit for the Year		-	(24,604,757)	-	(24,604,757)
Capital/Development Grants received during the year		-	-	12,500,000	12,500,000
Transfer of depreciation from capital fund to retained earnings		-	-	-	-
At June 30, 2023		135,679,800	(155,684,666)	801,745,822	781,740,956
As at 1 July 2023		135,679,800	(155,684,666)	801,745,822	781,740,956
Revaluation gain		345,484,310	-	-	345,484,310
Adjustments during the period		-	-	-	-
Surplus/Deficit for the Year		-	5,749,128	-	5,749,128
Capital/Development Grants received during the year	5b	-	-	92,927,515	92,927,515
Transfer of depreciation from capital fund to retained earnings		(96,664,110)	96,664,110	-	-
At June 30th, 2024		384,500,000	(53,271,429)	894,673,337	1,225,901,908

17. Statement of Cash Flows for the year ended 30 June 2024

Description	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities	26-w1	177,700,203	183,316,260
Rendering of services	26-w2	166,910,837	52,712,988
Sale of goods	26-w3	4,800	54,600
Other Income	26-w4	8,878,906	14,336,729
Total Receipts		353,494,746	250,420,577
Payments			
Compensation of employees	26-w6	217,345,426	49,983,025
Sale of goods and services	26-w5	91,125,464	199,103,116
Remuneration to Council	26-w7	12,467,687	3,903,592
Repairs and Maintenance	15	5,331,586	1,373,363
Contracted Services	16	285,790	-
Bank Charges	17	61,904	74,189
Total Payments		326,617,857	254,437,285
Net cash flows from operating activities		26,876,889	(4,016,708)
Cash flows from investing activities			
Purchase of PPE and intangible assets	26-w8	(173,089,477)	(89,501,935)
Proceeds from sale of property, plant and equipment		-	-
Decrease/(Increase) in non-current receivables		-	-
Net cash flows used in investing activities		(173,089,477)	(89,501,935)
Cash flows from financing activities			
Increase in deposits	6(a)	92,927,515	12,500,000
Net cash flows used in financing activities		92,927,515	12,500,000
Net increase/(decrease) in cash and cash equivalents			
		(53,285,073)	(81,018,643)
Cash and cash equivalents at the beginning of the year	17	83,173,002	164,191,645
Cash and cash equivalents at end of the year		29,887,929	83,173,002

Note:

Cash flow statement is presented using Direct method as prescribed by PSASB for the entities under IPSAS Accrual basis of accounting

18. Statement of Comparison of Budget and Actual amounts for year ended 30 June 2024

Description	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Performance difference		% of Utilization	
	Kshs	a	Kshs	b	Kshs	c=(a+b)	Kshs	d	Kshs	e=(c-d)	f=d/c%	
Revenue												
Transfers from other governments entities	193,854,767		-		193,854,767		193,854,767		-		100%	
Rendering of services	167,392,233		4,264,267		171,656,500		171,676,500		(20,000)		100%	
Catering Income	2,000,000		1,970,417		3,970,417		3,603,553		366,864		91%	
Sale of goods	30,000		(25,200)		4,800		4,800		-		100%	
Other Income	1,723,000		3,753,971		5,476,971		5,275,353		201,618		96%	
Transfer from recurrent to capital budget	-		(33,115,420)		(33,115,420)		(32,822,929)		(292,491)		99%	
Total Income	365,000,000		(23,151,965)		341,848,035		341,592,044		255,991		100%	
Expenses												
Compensation of Employees	256,000,000		(23,991,387)		232,008,613		232,008,613		-		100%	
Goods and services	90,931,885		445,216		91,377,101		91,125,464		251,637		100%	
Remuneration to Council	10,080,009		2,703,032		12,783,041		12,778,687		4,354		100%	
Repairs and Maintenance	3,868,106		1,463,480		5,331,586		5,331,586		-		100%	
Contracted Services	4,000,000		(3,714,210)		285,790		285,790		-		100%	
Bank charges	120,000		(58,096)		61,904		61,904		-		100%	
Total expenditure	365,000,000		(23,151,965)		341,848,035		341,592,044		255,991		100%	
(Deficit)Surplus for the period	-		-		-		-		-		-	

Budget notes

1. There was no difference between actual and budgeted amounts for significant under/over utilizations that requires explanation as per IPSAS 24.14
2. There was no change between original and final budget that requires explanation as per IPSAS 24.29
3. Actual on Comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis where budget is cash basis and statement of financial performance is accrual. Reconciliation is provided under Note 27

19. Notes to the Financial Statements

1. General Information

Alupe University is established by and derives its authority and accountability from the Universities Act, 2012. The University is wholly owned by the Government of Kenya and is domiciled in Kenya. The principal activity is education and research.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on 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 judgment 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 highlighted.

The financial statements have been prepared and presented in Kenyan Shillings, which is the functional and reporting currency of the University.

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

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There were no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of</p>

	<p>IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash</p> <p>Flow arising from revenue transactions.</p>

IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

(a) Revenue Recognition

i) Revenue from non –exchange transactions

Transfer 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 realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of Services

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

(b) Budget Information

The original budget for the FY 2023/2024 was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the University upon receiving the respective approvals in order to conclude the final budget.

The University's budget is prepared on 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

(c) Property, plant and equipment

All property, plant and equipment are stated at cost 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 lives and depreciates them accordingly.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

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.

Depreciation is calculated on a straight-line basis at annual rates estimated to write off carrying values of the assets over their expected useful lives, the asset is initially measured at its fair value. Depreciation rates in use are; Buildings – 2%, Furniture, plant & Equipment – 12.5%, Motor Vehicle – 25% and Computers – 33.3%.

(d) 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.

(e) Research and Development Costs

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Research and Development Costs (Continued)

- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

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

(f) 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.

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

- Raw materials: purchase cost using weighted average cost method.
- Finished goods and works 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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.

(g) Provisions

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

Where the 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 the any provision is presented in the statement of financial performance net of any reimbursement.

(h) Contingent Liabilities

The University does not recognize 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.

(i) 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Contingent Assets (Continued)

Events not wholly within the control of the entity in the notes to the financial statements. Contingent assets are assessed continuously 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 revenues are recognized in the financial statements of the period in which the change occurs.

(j) Nature and purpose of reserves

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

(k) Changes in accounting policies an estimate

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

(l) Employee Benefits

Retirement Benefits plan

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Employee Benefits (Continued)

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.

(m) Related Parties

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

(n) Service concession arrangements

The 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 case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlements 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

(o) 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 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.

(p) Comparative figures

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

(q) 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, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives and residual values

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

Notes to the Financial Statements

6. a) Transfers from Other Government Entities

Description			FY 2023-2024	FY 2022-2023
			Kshs	Kshs
Unconditional grants				
Operational grant				
Month	Date Received in bank	Receipt No.		
July, 2023	Date Received: 10.08.2023	19428	16,154,564	15,276,355
August, 2023	Date Received: 30.08.2023	21124	16,154,564	15,276,355
September, 2023	Date Received: 12.09.2023	21125	16,154,563	15,276,355
October, 2023	Date Received: 01.11.2023	26706	16,154,564	15,276,355
November, 2023	Date Received: 13.12.2023	27344	16,154,564	15,276,355
December, 2023	Date Received: 08.01.2024	30822	16,154,564	15,276,355
January, 2024	Date Received: 12.02.2024	30824	16,154,564	15,276,355
February, 2024	Date Received: 13.03.2024	30826	16,154,564	15,276,355
March, 2024	Date Received: 12.04.2024	31839	16,154,564	15,276,355
April, 2024	Date Received: 17.05.2024	36840	16,154,564	15,276,355
May, 2024	Date Received: 12.06.2024	36841	16,154,564	15,276,355
June, 2024	Date Received: 01.07.2024	36915	16,154,564	15,276,355
Sub total-Operational Grants			193,854,767	183,316,260
Unconditional Development grants				
Month	Date Received in bank	Receipt No.		
July, 2023	Date Received: 04.07.2023	21127	87,215,324	12,500,000
February, 2024	Date Received: 29.02.2024	30829	5,712,191	
Sub total-Unconditional Development Grants			92,927,515	12,500,000
Total Government Grants			286,782,282	195,816,260

6. b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial Performance	Amount deferred under differed income	Amount recognized in capital fund	Total transfers FY 2023-2024	FY 2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	193,854,767	-	92,927,515	286,782,282	195,816,260
Total	193,854,767	-	92,927,515	286,782,282	195,816,260

7. Rendering Of Services

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Student fees - Regular:-		
1st Years (Sept 2023 Intake)	129,406,500	-
2nd Years (Sept 2022 Intake)	14,206,000	17,492,200
3rd Years (Sept 2021 Intake)	18,801,000	17,728,500
4th Years (Sept 2020 Intake)	9,263,000	14,056,000
Sept 2019 Intake	-	5,660,000
Total revenue from rendering of services	171,676,500	54,936,700

8. Sale of Goods

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Sale of Soap and Sanitizers	4,800	54,600
Total revenue from the sale of goods	4,800	54,600

9. Other Income

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Catering Income	3,603,553	1,811,153
Supplementary Fee	609,500	449,316
Student Application Fee	75,000	61,000
Library fines and charges	21,610	9,935
Disciplinary charges	205,000	140,000
Graduation fees	881,500	521,000
Graduation Gown Late Surrender Charges	13,000	2,500
Events Sponsorship grants	166,000	242,000
Income from Research activities	1,703,561	9,238,052
Income from AUSO Rented Units	29,900	18,600
Income from Funeral Home	1,442,282	-
Income from Hire of Lecture theatre	128,000	-
Other Incomes(From Aga Khan & Moi)	-	1,843,173
Total Other Income	8,878,906	14,336,729

10. Use of Goods and Services

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Medical Expenses	12,000,000	12,541,798
Advertising	2,249,678	18,000
Transport operating expenses	2,278,421	919,400
Travelling & accommodation	5,593,593	938,356
Performance contracting	504,825	62,160
Postal and telecommunication	316,422	199,651
Internet/ ICT	5,294,577	3,609,705
Deans and Senate Committee	145,900	44,300
Electricity	661,634	787,568
Teaching materials	4,014,076	2,938,300
Publishing and printing expenses	444,000	126,000
Library books & other expenses	235,052	54,600
Purchase of stationery	2,587,656	944,839
Insurance	915,561	503,565
Legal expenses	282,200	334,500
Cleaning materials	394,444	75,450
Student Activity expenses	1,829,420	867,931
Games and Sports	359,712	222,100
Research & Training materials	2,944,000	172,700
General Office Supplies	463,053	233,001
External examiners	2,270,647	1,700,555
Training Expenses	1,300,958	-
AUSCO	1,285,515	843,000
Field Assessment and Trips (COBES)	4,044,836	692,254
Teaching practice	3,817,230	1,145,850
Academic trips	548,350	399,950
School of business attachment	513,340	254,510
Purchase of lab materials	903,146	117,805
Subscription to Regulatory bodies	6,478,940	671,000
Subscription to Professional bodies Staff	13,000	-
Purchase of uniform	27,000	12,000
Catering	3,102,710	1,577,938
Staff Pension Insurance	1,376,869	3,049,760
Security services related expenses	1,020,000	880,000
Soap and sanitizers expenses	6,500	28,500

IGU-Meetings meals expenses	803,265	168,510
Graduation Expenses	5,273,447	2,490,994
Funeral Home Expenses	498,151	30,000
Curriculum Review	4,621,240	64,350
KAIR project expenses	3,609,424	3,484,250
Commonwealth Activities	898,000	1,770,862
Internal Audit Office	10,000	-
Strategic plan review	396,400	-
Inauguration expenses	4,792,272	-
Last Expenses	-	46,000
Institutional Ethic Committee	-	100,000
Award of charter	-	2,814,110
Total Use of Goods and Services	91,125,464	47,936,122

11. Employee Costs

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Salaries and Wages	139,288,486	127,259,687
Employer contribution to pension schemes	13,554,729	12,445,541
Commuter and car allowances	11,919,052	11,005,000
House allowance	42,449,353	38,105,220
Social Contributions(NSSF)	1,271,160	822,480
Part-time Lecturers	19,832,000	7,090,000
Gratuity	3,388,218	2,142,503
Other Employee Related costs (Passage and Baggage costs)	305,615	-
2017 CBA balance	-	486,592
Total Employee costs	232,008,613	199,357,023

12. Council Expenses

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Chairperson's Honoraria	1,044,000	870,000
Sitting allowance	4,340,000	1,320,000
perdiem	3,676,700	532,300
Travel/Mileage	2,316,770	551,510
Training	168,234	-
Council meals	373,200	108,000
Fuel to pick council members from airport	130,300	80,945

Stationery	53,000	-
Others costs(Driver's allow/Parking/carwash)	85,250	-
Medical Insurance	591,233	440,837
Total Council Expenses	12,778,687	3,903,592

13. Depreciation and amortization Expenses

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Building	11,467,660	10,903,976
Motor vehicles	5,225,863	1,790,563
Furniture and fittings	2,659,678	2,292,203
Computers	4,190,554	5,918,931
Plant and equipment	3,031,380	2,783,843
Intangible assets	498,667	915,242
Total depreciation and amortization	27,073,801	24,604,757

14. Repairs and Maintenance

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Maintenance of plant & Machinery	1,030,424	73,512
Maintenance of Buildings	1,093,216	361,056
Maintenance of Sewerage system	58,000	-
Maintenance of motor vehicle	1,013,117	480,085
Maintenance of office equipment	799,110	458,710
Maintenance of Grounds	1,337,719	-
Total repairs and maintenance	5,331,586	1,373,363

15. Contracted Services

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Contracted Cleaning Services	285,790	-
Total contracted services	285,790	-

16. Bank Charges

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
KCB-Main Account	15,439	21,459
KCB-Operations Account	28,215	40,115
KCB-IGU Account	8,048	3,105
KCB-Retention Account	2,493	-
Co-op Bank-Research Account	5,180	9,030
Co-op Bank-Student Account	2,530	480
Total Bank Charges	61,904	74,189

17. Cash and Cash Equivalents

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Current accounts	29,887,929	83,168,348
Others (Paybill accounts)	-	4,655
Total cash and cash equivalents	29,887,929	83,173,003

17. (a) Detailed Analysis of the Cash and Cash Equivalents

Description	Account Number	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
a) Current accounts			
KCB Main account	1201874084	6,121,852	74,098,874
KCB Operations account	1201874025	309,307	3,847,263
KCB IGU Account	1239525036	1,135,830	546,682
KCB Retention Account	1320870465	20,688,049	-
Coop- Student account	01141238933900	126,045	112,998
Coop- Research account	01141238804100	1,506,846	4,562,531
Equity- Receiving account	0780285189875	-	
Sub-total		29,887,929	83,168,348
b) Others			
Other Incomes-Paybill Account	4091651	-	535
IGU-Paybill Account	4069369	-	4,120
Sub-total		-	4,655
Grand total		29,887,929	83,173,003

18. Receivables from Exchange Transactions

(a) Receivables from Exchange Transactions (Current)

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Students fees		
1st Years (Sept 2023 Intake)	11,136,915	-
2nd Years (Sept 2022 Intake)	1,782,293	1,705,795
3rd Years (Sept 2021 Intake)	1,936,159	2,393,205
4th Years (Sept 2020 Intake)	668,830	549,249
Sept 2019 Intake	304,900	304,900
Sept 2018 Intake	59,500	67,500
Sept 2017 Intake	142,300	142,300
Sub total	16,030,897	5,162,949
Other Receivables		
Technical and Vocational Education Authority-for catering services	128,000	-
Sub total	128,000	-
Total current receivables	16,158,897	5,162,949

(b) Receivables from Exchange Transactions (Long-term)

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Other Exchange debtors	-	-
Less: Impairment allowance	-	-
Total receivables	-	-
Current portion transferred to current receivables	-	-
Total non-current receivables	-	-
Total receivables (a+b)	16,158,897	5,162,949

(c) Ageing analysis for Receivables from exchange transactions

Description	FY 2023-2024		FY 2022-2023	
	Kshs		Kshs	
	FY2023-2024	% of the total	FY2022-2023	% of the total
Less than 1 year	15,957,097	98.8%	4,953,149	95.9%
Between 1-2 years	59,500	0.4%	67,500	1.3%
Between 2-3 years	142,300	0.9%	142,300	2.8%
Over 3 years	-	0.0%	-	0.0%
Total receivables (a+b)	16,158,897	100%	5,162,949	100%

(d) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
At the beginning of the period	16,158,897	5,162,949
Provisions made during the period	-	-
Recovered during the period	-	-
Written off during the period	-	-
At the end of the period	16,158,897	5,162,949

19. Receivables from Non-Exchange Transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
GoK Grants	16,154,564	-
Total Receivables from Non-Exchange Transactions	16,154,564	-

Description	FY2023-2024	% of the total	FY2022-2023	% of the total
Less than 1 year	16,154,564	100.0%	-	0.0%
Between 1-2 years	-	0.0%	-	0.0%
Between 2-3 years	-	0.0%	-	0.0%
Over 3 years	-	0.0%	-	0.0%
Total	16,154,564	100%	-	0.0%

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Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
At the beginning of the period	16,154,564	-
Provisions made during the period	-	-
Recovered during the period	-	-
Written off during the period	-	-
At the end of the period	16,154,564	-

20. Inventories

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Central stores	581,208	64,776
Estates and central services stores	434,822	110,170
Examinations office	-	440,700
Kitchen Stores	56,531	116,118
Laboratories	129,081	100,000
Total inventories at the lower of cost and net realizable value	1,201,642	831,764

Notes to the Financial Statements (Continued)

21 a). PROPERTY, PLANT AND EQUIPMENT

Description	Land & Buildings	Motor vehicles	Furniture and fittings	Computers&ICT	Plant and Equipment	Capital Work in progress	Total
	2%	25%	12.50%	33.33%	12.50%		
Cost		Shs	Shs	Shs	Shs	Shs	Shs
As At 1 July 2022	620,813,449	7,162,250	15,514,482	13,656,636	18,842,215	70,268,623	746,257,655
Additions	-	-	2,823,140	4,101,933	3,428,526	69,744,274	80,097,873
Disposals	-	-	-	-	-	-	-
Revaluation	-	12,679,800	-	-	-	-	12,679,800
Transfers/adjustments	47,385,341	-	-	-	-	(47,385,341)	-
As At 30th June 2023	668,198,790	19,842,050	18,337,622	17,758,569	22,270,741	92,627,556	839,035,328
Additions	-	13,741,200	2,939,800	6,338,874	1,980,300	162,052,089	187,052,263
Revaluation	328,801,422	866,655	(723,392)	8,013,456	8,526,169	-	345,484,310
Disposal	-	-	-	-	-	-	-
Transfer/adjustments	28,184,226	-	-	(11,525,782)	-	(28,184,226)	(11,525,782)
As At 30th June, 2024	1,025,184,439	34,449,905	20,554,030	20,585,117	32,777,210	226,495,419	1,360,046,118
Depreciation and impairment							
As At 1 July 2022	21,279,619	3,601,189	5,518,600	11,365,482	5,646,872	-	47,411,762
Depreciation	10,903,975	1,790,563	2,292,203	5,918,931	2,783,843	-	23,689,515

On Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-
As At 30th June 2023	32,183,594	5,391,752	7,810,803	17,284,413	8,430,715	-	71,101,277
Depreciation	11,467,660.32	5,225,863	2,659,678	4,190,554	3,031,380	-	26,575,134
On Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/adjustment	2,056,083	(20,065)	(628,251)	(14,520,649)	420,588	-	(12,692,294)
As At 30th June, 2024	45,707,337	10,597,550	9,842,230	6,954,317	11,882,684	-	84,984,118
Net book values							
As At 30th June, 2024	979,477,100	23,852,355	10,711,800	13,630,800	20,894,527	226,495,419	1,275,062,001
As At 30th June 2023	636,015,196	14,450,298	10,526,819	474,156	13,840,026	92,627,556	767,934,051

Note:

1. Depreciation is calculated on a straight-line basis at annual rates estimated to write off carrying values of the assets over their expected useful lives, the asset is initially measured at its fair value.

2. Depreciation rates in use are;

- i. Buildings – 2%,
- ii. Furniture, plant & Equipment – 12.5%,
- iii. Motor Vehicle – 25%
- iv. Computers – 33.3%.

3. WIP relates to:

- i. Construction of lecture theatre Kshs. 138,328,677
- ii. Construction of tuition block Kshs. 72,184,246
- iii. Fencing and estates workshop Kshs. 15,982,496
- Total Kshs. 226,495,419**

Notes to the Financial Statements (Continued)

21 b). Plant, Property and Equipment at Cost

Description	Cost	Accumulated Depreciation	NBV
Land	384,500,000	-	384,500,000
Building	640,684,438	45,707,337	594,977,101
Plant and Equipment	32,777,210	11,882,684	20,894,527
Motor vehicles	34,449,905	10,597,550	23,852,355
Computers	20,585,117	6,954,317	13,630,800
Furniture and Fittings	20,554,030	9,842,230	10,711,800
Work In Progress	226,495,419	-	226,495,419
Total	1,360,046,118	84,984,118	1,275,062,001

21 c). Plant, Property and Equipment includes the following assets that are fully depreciated:

Description	Cost or Valuation	Normal annual depreciation charge
Motor vehicles	34,449,905	8,612,476
Total	34,449,905	8,612,476

22. Intangible Assets

Description	FY 2023-2024	FY 2022-2023
Cost	Kshs	Kshs
At the beginning of the year	2,746,000	1,250,000
Additions	-	1,496,000
At end of the year	2,746,000	2,746,000
Additions-internal development	-	-
Adjustment for Fully Amortized Intangible asset	(1,250,000)	-
At end of the year	1,496,000	2,746,000
Amortization and impairment		
At the beginning of the year	1,748,667	833,250
Amortization at the rate of 33.33%	498,667	915,242
At the end of the year	2,247,334	1,748,492
Impairment loss	-	-
Adjustment for Fully Amortized Intangible asset	(1,250,000)	-
At the end of the year	997,334	1,748,492
NBV	498,666	997,508

23. Trade and other payables

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
June, 2024 staff salary	18,208,542	3,993,926
Commissioner of Domestic Taxes	703,021	-
Council	56,550	-
Caution Money Continuing students	3,938,000	2,870,000
Caution Money-Graduates (Class of 2019)	326,000	
Caution Money-Graduates (Class of 2018)	150,000	150,000
Caution Money-Graduates (Class of 2017)	314,000	302,000
Withheld Retention Funds	20,690,542	6,727,757
Alumni Fee	356,000	111,500
Projects Fund	1,506,846	4,562,532
Payables b/f from 2016/17FY:-		
Salaries for staff paid by Moi on behalf of Alupe Nov 2016-June 17	33,133,718	33,133,718
Salaries for staff paid by Moi on behalf of Alupe Aug 2015-Oct 16	21,329,058	21,329,058
Total trade and other payables	100,712,278	73,180,491

24. Refundable Deposits and Prepayments from customers

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
1. Prepaid Student fees		
1st Years (Sept 2023 Intake)	6,082,380	-
2nd Years (Sept 2022 Intake)	2,833,289	794,315
3rd Years (Sept 2021 Intake)	2,026,123	701,329
4th Years (Sept 2020 Intake)	881,989	606,779
Sept 2019 Intake	433,552	278,600
Sept 2018 Intake	81,600	390,284
Sept 2017 Intake	10,580	392,521
Sub-total	12,349,513	3,163,828
2. Prepaid Graduation fees	-	14,000
Sub-total	-	14,000
Total	12,349,513	3,177,828

25. Current Provisions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Balance b/d (1.07.2023)	-	-
Additional Provisions:-		
Provision for Audit fee	-	-
Total Provisions as at 30.06.2024	-	-

26. Statement of Cash Flows Reconciliation Transfers from other government entities

Description	Note	Amount
Unconditional grants as per Statement Of Financial Performance	6(a)	193,854,767
Add:-FY 2022/2023 GOK received in FY 2023/2024:-		
June, 2023 Gok Grant received in July, 2023	FY 2022/23 Note 19	-
LESS:- Receivables as at 30.06.2024		
June, 2024 Gok Grant not received as at 30.06.2024	19	(16,154,564)
Amount Recorded in the Statement of Cash flow	26-w1	177,700,203

Rendering Of Services

Description	Note	Amount
1st Years (Sept 2023 Intake)		120,665,280
2nd Years (Sept 2022 Intake)		13,725,116
3rd Years (Sept 2021 Intake)		17,022,916
4th Years (Sept 2020 Intake)		7,800,679
Direct deposits to the bank account		7,696,846
Amount Recorded in the Statement of Cash flow	26-w2	166,910,837

Sale of goods

Description	Note	Amount
Sale of goods as per Statement Of Financial Performance	7	4,800
Less Receivables:-		
		-
Amount Recorded in the Statement of Cash flow	26-w3	4,800

Other income

Description	Note	Amount
Other Income as per Statement Of Financial Performance	9	8,878,906
LESS:- Receivables as at 30.06.2024		
		-
Amount Recorded in the Statement of Cash flow	26-w4	8,878,906

Use of goods and services

Description	Note	Amount
Use of goods and services as per Statement Of Financial Performance	10	91,125,464
LESS:- Provisions (Non-cash)		
FY 2023/2024 payables (Whose double entry is expenses account)	22	-
Provision for Audit fee	23	-
		91,125,464
Add:-FY 2022/2023 payables paid in FY 2023/2024:-		
	FY 2022/23 Note 22	-
Amount Recorded in the Statement of Cash flow	26-w5	91,125,464

Employee Costs

Description	Note	Amount
Employee costs as per Statement Of Financial Performance	11	232,008,613
LESS:- FY 2023/2024 payables (Whose double entry is expenses account)		
June, 2024 Staff salaries	22	(18,208,542)
Commissioner of domestic taxes (gratuity)	22	(448,571)
		213,351,500
Add:-FY 2022/2023 payables paid in FY 2023/2024:-		
Salary deductions at the end of FY 2022/2023	FY 2022/23 Note 22	3,993,926
Amount Recorded in the Statement of Cash flow	26-w6	217,345,426

Remuneration to council

Description	Note	Amount
Remuneration to council as per Statement Of Financial Performance	13	12,778,687
LESS:- FY 2023/2024 payables (Whose double entry is expenses account)		
June, 2024 chair honoraria	23	(56,550)
Commissioner of domestic taxes (35% PAYE)	23	(254,450)
Add:- FY 2022/2023 payables paid in FY 2023/2024:-		
	23	-
Amount Recorded in the Statement of Cash flow	26-w7	12,467,687

Purchase of property, plant, equipment and intangible assets

Description		Note	Amount
Cost incurred in Purchase of PPE in FY 2023/2024		21(a)	187,052,263
Cost incurred in Purchase of intangible asset in FY 2023/2024		22	-
LESS:-			
FY 2023/2024 payables (Whose double entry is Assets account)			-
Retention Money withheld in FY 2023/2024	Cert no.	Description	Retention
Orion Nebula	3	Lecture Theater	(373,383)
Orion Nebula	4	Lecture Theater	(2,071,237)
Orion Nebula	5	Lecture Theater	(1,138,258)
Orion Nebula	6	Lecture Theater	(2,421,756)
Orion Nebula	7	Lecture Theater	(1,790,150)
Mershil Kenya Limited	3	Chapel and gate	(29,423)
M/s Venus (208) Engineering & Co. Ltd	1	Tuition Block	(4,570,199)
M/s Venus (208) Engineering & Co. Ltd	2	Tuition Block	(2,406,655)
Total			(14,801,062)
Add:-			
FY 2022/2023 payables (assets) paid for in FY 2023/2024:-			-
Add:-			
Retention released in FY 2023/2024:-			
Contractor	PV	Description	Amount
Everfortunes Co. Ltd	2978	1st&2nd Moiety	592,777
Mershil Kenya Limited	3564	2nd Moiety	216,076
Mershil Kenya Limited	4119	2nd Moiety Balance	29,423
Total released retention			838,276
Amount Recorded in the Statement of Cash flow		26-w8	173,089,477

27. Retention Funds Reconciliation

Opening Balance as at 1st July, 2023		6,727,756	Balance b/f	
ADD:				
Retention Withheld during FY 2023-2024				
Contractor's Name	Cert no.	Gross Pay	Retention	Description
Orion Nebula	3	3,733,825	373,383	Lecture Theater
Orion Nebula	4	20,712,369	2,071,237	Lecture Theater
Orion Nebula	5	11,382,584	1,138,258	Lecture Theater
Orion Nebula	6	24,217,564	2,421,756	Lecture Theater
Orion Nebula	7	17,901,500	1,790,150	Lecture Theater
Mershil Kenya Limited	3	294,230	29,423	Chapel and gate
M/s Venus (208) Engineering & Co. Ltd	1	45,701,994	4,570,199	Tuition Block
M/s Venus (208) Engineering & Co. Ltd	2	24,066,552	2,406,655	Tuition Block
Total retention withheld during FY 2023-2024			14,801,062	
Total Retention as at 30.06.2024			21,528,818	
LESS:				
Retention Released during FY 2023-2024				
Contractor's Name	Pv no./Cert no.		Amount	Description
Everfortunes Co. Ltd	1st&2nd Moiety		592,777	Borehole
Mershil Kenya Limited	2nd Moiety		216,076	Chapel and gate
Mershil Kenya Limited	2nd Moiety Balance		29,423	Chapel and gate
Total Retention released during FY 2023-2024			838,276	
Closing Balance as at 30th June, 2024			20,690,542	Balance c/f

28. Statement of Comparison of Budget & Actual Vs Statement of Financial Performance

Surplus Reconciliation

Description	Amount
Surplus as per Statement of Financial Performance	5,749,128
ADD	
Non-Cash Items	
1. Depreciation	27,073,801
Total Non-Cash Items	27,073,801
Surplus as per Statement of Comparison of Budget & Actual Amounts	32,822,929

29. Accumulated Deficit Reconciliation

FY	DEFICIT AS AT END OF EACH FY (a)	NON-CASH ITEMS (whose double entry was expense that resulted to a deficit)				CUMULATIVE NON-CASH ITEMS (e)	SURPLUS/ DEFICIT (Exclusive of Non-Cash Items) f=(a-e)
		DEPRECIATION (b)	PROVISIONS/PAYABLES		TOTAL NON-CASH ITEMS d=(b+c)		
			Description	Amount			
				.(c)			
FY 2016/2017	(29,768,434)	4,055,093	Alupe Campus Staff salaries payable to Moi	33,133,718	37,188,811	37,188,811	7,420,377
FY 2017/2018	(46,098,588)	6,748,013	-	-	6,748,013	43,936,824	(2,161,764)
FY 2018/2019	(55,438,200)	7,604,595	-	-	7,604,595	51,541,419	(3,896,781)
FY 2019/2020	(55,938,934)	15,932,064	-	-	15,932,064	67,473,483	11,534,549
FY 2020/2021	(98,348,234)	14,895,265	Alupe Campus Staff salaries payable to Moi	21,329,058	36,224,323	103,697,806	5,349,572
FY 2021/2022	(131,079,909)	21,009,800	-	-	21,009,800	124,707,606	(6,372,303)
FY 2022/2023	(155,684,666)	24,604,757	-	-	24,604,757	149,312,363	(6,372,303)
FY 2023/2024	(53,271,429)	27,073,801	-	-	27,073,801	176,386,164	123,114,736
TOTAL	(53,271,429)	121,923,388	-	54,462,776	176,386,164	176,386,164	123,114,736

30. Financial Risk Management

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

The University's financial risk management objectives and policies are detailed below;

(i) Credit risk

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

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

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

Details	Total Amount (Kshs)
As at 30 June 2024	
Receivable from exchange transactions	16,158,897
Receivable from non-exchange transactions	16,154,564
Bank Balances	29,887,929
Total	62,201,390

Notes to the Financial Statements (Continued)

As at 30 June 2023	
Receivable from exchange transactions	5,162,949
Receivable from non-exchange transactions	-
Bank Balances	83,173,003
Total	88,335,952

(ii) Liquidity Risk Management

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

Details	Less than 1 Month	Less than 1-3 Month	Over 5 Months	Total
As at 30 June 2024				
Trade Payables	-	-	-	-
Other Payables	759,571	22,197,389	59,546,776	82,503,736
Provisions	-	-	-	-
Employee benefit obligation	18,208,542	-	-	18,208,542
Total	18,968,113	22,197,389	59,546,776	100,712,278
As at 30 June 2023				
Trade Payables	-	-	-	-
Other Payables	-	11,290,289	57,896,276	69,186,565
Provisions	-	-	-	-
Employee benefit obligation	3,993,926	-	-	3,993,926
Total	3,993,926	11,290,289	57,896,276	73,180,491

(iii) Market Risk

The board has put in place an internal audit function to assist it in the assessing

The risk faced by the entity on an ongoing basis, evaluate and test the design and the effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate

Equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of the market risk management is to manage

and control market risk exposures within acceptable parameters, while optimizing the return.

Overall responsibility for managing market risks rest with the Audit and Risk Management Committee.

(a) Foreign currency risk

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

Notes to the Financial Statements (Continued)

(b) Interest risk

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

Management of interest rate risk

To manage the interest rate risk, management has endeavored to bank with institutions that offer favorable interests' rates.

Sensitivity Analysis

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

(iv) Capital Risk Management

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

Description	2023/2024	2022/2023
Revaluation Reserve	384,500,000	135,679,800
Retained Earnings	(53,271,429)	(155,684,666)
Capital Reserve	894,673,337	801,745,822
Total funds	1,225,901,908	781,740,956
Total Borrowings	-	-
Less: Cash and Bank Balances	(29,887,929)	(83,173,003)
Net Debt/(Excess Cash and Cash equivalents)	(29,887,929)	(83,173,003)
Gearing	-2%	-11%

31. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

- (i) The National Government
- (ii) The Ministry of Education
- (iii) Board of Directors
- (iv) University Management

32. Events after the Reporting Period

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

33. Ultimate and Holding Entity

Alupe University is a State Corporation under the Ministry of Education, State Department for University Education. Its ultimate parent is the Government of Kenya.

34. Currency

The financial statements are presented in Kenya Shillings (Kshs)

20. Appendices

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

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

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (Resolved/Not Resolved)	Timeframe
1.	<p>Salaries paid by Moi University on behalf of Alupe University</p> <p>The statement of financial position reflects trade and other payable figure of Kshs. 81, 297,373 and as disclosed under Note 22 to the financial statements, which includes balances of K salaries paid by Moi University on behalf of Alupe University College figure of Kshs. 54,462,776. The amount</p>	<p>The recognition was based on the letter issued by Moi University to Alupe University College dated 7th July 2017 informing Alupe to arrange to take over the payment of salaries and to arrange for re-imburement. We did not have a Council before November 2016 and therefore Alupe University College was not operational before November 2016 since there was no Council. Therefore, we have not been able to settle the debt since we never</p>	Not Resolved	2023/2024 FY

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (Resolved/ Not Resolved)	Timeframe
	<p>consists of Kshs. 33,133,718 paid by Moi on behalf of Alupe between November, 2016 and June 2017 and Kshs. 21,329,058 paid between August 2015 and October 2016. Available records indicated that Moi University was demanding a debt of Kshs. 54,462,776 from Alupe University College. No explanation was not provided for the failure to settle the long outstanding debt.</p> <p>In the circumstances the fair valuation of the trade and other payables balance of Kshs</p>	<p>received any capitation during that period since the capitation was being channeled to Moi University. Since then we only receive capitation to pay actual current salaries which is not even enough and we have to top up salaries using Internally generated revenue. We have not realized a surplus to enable us settle the debt as evidenced from our financial statements.</p> <p>Discussions are ongoing on the issue between the two councils and we hope that it will be finalized soon and escalated to the Ministry and National Treasury so that they can</p>		

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (Resolved/Not Resolved)	Timeframe
	81,297,373 as at 30 June, 2022 could not be ascertained	disburse funds to settle.		
2.	<p>Poor Financial Performance of the University</p> <p>Review of the financial statements revealed that the University has been reporting deficits since year 2019/2020 to date. This has increased from a deficit of Kshs 55,938,934 in 2019/2020 to Kshs 131,079,909 in 2021/2022.</p> <p>The continued loss making trend is an indication that the</p>	<p>Alupe University operates within the allocated budget and is able to meet its obligations as they fall due. However we agree that funding from the Government is inadequate but we always strive to work within the budget. The deficits are occasioned by capturing depreciation which is a non- cash item and recognizing salaries paid by Moi University to Alupe campus staff when we neither had a budget nor received any capitation.</p>	Not Resolved	2023/2024 FY

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (Resolved/Not Resolved)	Timeframe
	University is not in a position to meet its financial obligations	We will not have a deficit if we do not capture the items mentioned above but we will rather have a surplus. This can also be confirmed from the statement of budget comparisons whereby if depreciation is subtracted then there will be no deficit. We confirm that Alupe University is able to meet its financial obligation but requires increased Government funding so as to operate efficiently		
3.	<p>Failure to Adhere to the One-third Rule on Salary Deductions</p> <p>An analysis of the IPPD for the</p>	Management noted the anomaly which was corrected and by end of June we only had one employee below a third of the salary and this	Resolved	2022/2023 FY

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (<i>Resolved/Not Resolved</i>)	Timeframe
	<p>year under review revealed that between July 2021 to June 2022, a total of fifteen members of staff earned net salaries that were less than a third of their basic salaries, contrary to section 19(3) of the Employment Act, 2007, which provides that total deductions from salaries of employee shall not exceed two thirds of their respective basic salaries.</p>	<p>has been rectified in the current Financial year and the affected staff and financial institutions have been communicated to align to the rule (see attached annex II). Management is committed to ensuring it is compliant to government laws and structures and this will not occur in future.</p>		
4.	<p>Staff Ethnic Diversity</p> <p>Analysis of staff composition of the College revealed that out of ninety-seven employees, 37 or 38% were from the same ethnic</p>	<p>The issue is historical since most employees who were seconded from Moi University were absorbed by Alupe University College hence we did not have control on ethnic</p>	Resolved	2022/2023 FY

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (Resolved/Not Resolved)	Timeframe
	<p>community. This is contrary to the requirements of Article 232 (1)(h) of the constitution and section 7 (2) of the National Cohesion and Integration Act No. 12 of 2008 which requires that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff (2) No public establishment shall have more than one third of its staff from the same ethnic community.</p>	<p>representation. In addition, the advert for employment in 2017 did not attract many communities despite the fact that it was advertised in the newspaper. This may be attributed to the newness of the institution then but this has been changing in the last advertisement. In addition, the number of staff is also still low at about 100 with a good number having been seconded from Moi University and it is not possible to arrive at the expected ethnic proportions but this will be corrected as we move along in the coming years.</p> <p>Alupe University has had a challenge</p>		

Reference No on the external audit Report	Issue/Observation from Auditor	Management comments	Status (<i>Resolved/Not Resolved</i>)	Timeframe
		of capitation and has not been conducting recruitment of staff hampering the attainment of ethnic balance. We hope to comply in future We would like to confirm that Alupe University is an employer with equal opportunity for all without compromising merit. We commit to employ all the tribes as long they possess the requisite qualifications and merit in the coming years to try to get to the expected levels.		

Signed by :

Vice Chancellor

Appendix II: Projects implemented by Alupe University

Projects implemented by Alupe University Funded by the Government

	Project title	Project Number	Donor	Period/ Duration	Donor Commitment	Separate donor reporting required as per the donor agreement (YES/NO)	Consolidated in these financial statements (YES/NO)
1	Library phase I	AUC/ONT/1/2016/2017	GoK	128 Weeks	None	No	Yes
2	Laboratory & Lecture Rooms	AUC/ONT/2/2016/2017/28	GoK	24 Weeks	None	No	Yes
3	Admin, Anatomy & Biochemistry Laboratory	AUC/ONT/13/2016/2017	GoK	56 Weeks	None	No	Yes
4	Borehole	D106/WE/BSA/1601	GoK	24 Weeks	None	No	Yes
5	Computer Lab & Lecture rooms	AUC/ONT/1/2019/2020	GoK	24 Weeks	None	No	Yes
6	Admin Block Phase II	AUC/ONT/03/2020/2021	GoK	24 Weeks	None	No	Yes
7	Construction of Chapel Steel Gate and Sentry House	AU/RFQ/GATE/22/09/17	GoK	3 Weeks	None	No	Yes
8	Construction of Chapel	AU/RFQ/05/69/2021/2022	GoK	16 Weeks	None	No	Yes
9	Construction of Lecture Theatre	AUC/ONT/01/001/2022	GoK	52 Weeks	None	No	Yes
10	Construction of Tuition Block	AUC/ONT/001/2023-2024	GoK	80 Weeks	None	No	Yes

Status of Projects Completion

SN	Project	Total Project Cost	Total expended to date	Completion % to date	Budget (Kshs)	Actual (Kshs)	Sources of Funds
1	Library phase I	191,710,241	191,710,241.00	100%	191,710,241	191,710,241	GoK
2	Laboratory & Lecture Rooms	24,932,594	24,932,594	100%	24,932,594	24,932,594	GoK
3	Admin, Anatomy & Biochemistry Laboratory	254,281,320	254,281,320.00	100%	254,281,320	254,281,320	GoK
4	Borehole	5,936,300	5,936,300	100%	5,936,300	4,684,774	GoK
5	Computer Lab & Lecture rooms	28,885,510	28,885,510	100%	28,885,510	28,885,510	GoK
6	Admin Block Phase II	44,995,020	43,858,288	100%	44,995,020	44,995,020	GoK
7	Construction of Chapel Steel Gate and Sentry House	500,100	500,100	100%	500,100	500,100	GoK
8	Construction of Chapel	4,998,900	4,660,205	100%	4,998,900	4,998,900	GoK
9	Construction of Lecture Theatre	139,647,898	138,328,677	99%	139,647,898	138,328,677	GoK
10	Construction of Tuition Block	437,646,444	72,184,246	20%	437,646,444	72,184,246	GoK



Appendix III: Inter-Entity Transfers

ENTITY NAME: ALUPE UNIVERSITY

Breakdown of transfers from state department for University

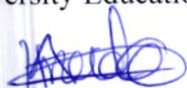
a) Recurrent Grants

Month	Bank Statement Date	Amount (Kshs)	FY that the money relates
July, 2023	Date Received: 10.08.2023	16,154,564.00	2023/2024
August, 2023	Date Received: 30.08.2023	16,154,564.00	2023/2024
September, 2023	Date Received: 12.09.2023	16,154,563.00	2023/2024
October, 2023	Date Received: 01.11.2023	16,154,564.00	2023/2024
November, 2023	Date Received: 13.12.2023	16,154,564.00	2023/2024
December, 2023	Date Received: 08.01.2024	16,154,564.00	2023/2024
January, 2024	Date Received: 12.02.2024	16,154,564.00	2023/2024
February, 2024	Date Received: 13.03.2024	16,154,564.00	2023/2024
March, 2024	Date Received: 12.04.2024	16,154,564.00	2023/2024
April, 2024	Date Received: 17.05.2024	16,154,564.00	2023/2024
May, 2024	Date Received: 12.06.2024	16,154,564.00	2023/2024
June, 2024	Date Received: 01.07.2024	16,154,564.00	2023/2024
TOTAL		193,854,767.00	

b) Development Grants

Month	Bank Statement Date	Amount (Kshs)	FY that the money relates
July, 2023	04.07.2023	87,215,324.00	2023/2024
February, 2024	29.02.2024	5,712,191.00	2023/2024
TOTAL		92,927,515.00	

The above amounts have been communicated to and reconciled with the State Department of University Education



Head of Finance
Alupe University



Head of Accounting Unit
State Department of University Education



Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor transferring the funds	Date Received as per Bank Statement	Nature: Recurrent/ Development/ Others	Total Amount (Kshs)	Where Recorded/Recognized		
				Statement of Financial Performance	Capital Fund	Receivables
State Department of University Education	Date Received: 10.08.2023	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 30.08.2023	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 12.09.2023	Recurrent	16,154,563	16,154,563	-	
State Department of University Education	Date Received: 01.11.2023	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 13.12.2023	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 08.01.2024	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 12.02.2024	Recurrent	16,154,564	16,154,564	-	
State Department of University Education	Date Received: 13.03.2024	Recurrent	16,154,564	16,154,564	-	

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State Department of University Education	Date Received: 12.04.2024	Recurrent	16,154,564	16,154,564	-	-	-	16,154,564
State Department of University Education	Date Received: 17.05.2024	Recurrent	16,154,564	16,154,564	-	-	-	16,154,564
State Department of University Education	Date Received: 12.06.2024	Recurrent	16,154,564	16,154,564	-	-	-	16,154,564
State Department of University Education	Date Received: 01.07.2024	Recurrent	16,154,564	16,154,564	-	-	-	16,154,564
State Department of University Education	Date Received: 04.07.2023	Development	87,215,324	-	87,215,324	-	-	87,215,324
State Department of University Education	Date Received: 29.02.2024	Development	5,712,191	-	5,712,191	-	-	5,712,191
TOTAL			286,782,282	193,854,767	92,927,515	-	-	286,782,282

Appendix V: Inter-Entity Confirmation Letter

Name of transferring entity : Alupe University

Name of Beneficiary entity : None

Confirmation of amounts received by other entities as at 30th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Sign Date.....

Note:
 Alupe University did not have any Inter-Entity transfers



Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Note:
 Alupe University did not have any expenditure relating to climate

Appendix VII: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

Note:

Alupe University did not have any disaster management related expenditure