

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

| | |
|--------------------------------------|---|
| THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 18 JUN 2025 | DAY: WED. |
| TABLED BY: | HON. NAOMI WAQO, MP DEP. MAJORITY PARTY WHTP |
| CLERK-AT THE-TABLE: | MS. MERCY CHUMO. |

OF

THE AUDITOR-GENERAL

ON

MAMA NGINA UNIVERSITY COLLEGE

**FOR THE YEAR ENDED
30 JUNE, 2024**



MAMA NGINA UNIVERSITY COLLEGE

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)**

I. Table of Contents

| | |
|---|-------|
| 1. Acronyms and Definition of Key Terms | iii |
| 2. Key Entity Information and Management..... | iv |
| 3. The University Council | xiii |
| 4. Key Management Team..... | xx |
| 5. Chairperson’s Statement. | xxii |
| 6. Report of the Chief Executive Officer/ University College Principal..... | xxiv |
| 7. Statement of Performance against Predetermined Objectives for FY 2023/2024..... | xxvi |
| 8. Corporate Governance Statement | xxxii |
| 9. Management Discussion and Analysis..... | xxxv |
| 10. Environmental and Sustainability Reporting..... | xli |
| 11. Report of the University College Council | li |
| 12. Statement of University Council Responsibilities..... | lii |
| 13. Report of the Auditor General on Mama Ngina University College for the year ended 30th June, 2024 | liv |
| 14. Statement of Financial Performance for the year ended 30 June 2024..... | 1 |
| 15. Statement of Financial Position as at 30 June 2024 | 2 |
| 16. Statement of Changes in Net Assets for the year ended 30 June 2024 | 3 |
| 17. Statement of Cash Flows for the year ended 30 June 2024 | 4 |
| 18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024 | 5 |
| 19. Notes to the Financial Statements..... | 7 |
| 20. Appendices..... | 43 |

1. Acronyms and Definition of Key Terms

A: Acronyms

| | |
|-------|---|
| CBK | Central Bank of Kenya |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards |
| KU | Kenyatta University |
| MNUC | Mama Ngina University College |
| NT | National Treasury |
| OAG | Office of the Auditor General |
| OCOB | Office of the Controller of Budget |
| OSHA | Occupational Safety and Health Act of 2007 |
| PFM | Public Finance Management |
| PPE | Property Plant & Equipment |
| PSASB | Public Sector Accounting Standards Board |
| SAGAs | Semi-Autonomous Government Agencies |
| SC | State Corporations |
| TVETA | Technical and Vocational Education and Training Authority |
| UCMB | University College Management Board |
| VC | Vice Chancellor |
| WB | World Bank |

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.

2. Key Entity Information and Management

(a) Background information

Mama Ngina University College was established by Legal Notice No. 193 issued in accordance with the Universities Act No. 42 of 2012 and published as the Mama Ngina University College Order, 2021, on September 17, 2021 in a special issue of the Kenya Gazette Supplement No. 177. It is domiciled in Kenya and has no Campuses

The Management of the University College is headed by a Principal with the assistance of a Deputy Principal. The Principal reports to the Mama Ngina University College Council that was appointed on 3rd December 2021 through the Gazette Notice No. 13129.



Mama Ngina University College Administration Block

(b) Principal Activities

The principal activity of the University College is to provide quality and relevant education, training, research and outreach. The Vision, mission and core values of the University College are as follows:

Vision

A Premier University that nurtures competent and value-based leaders.

Mission

To provide transformative teaching, research and community engagement for effective service.

Motto

Shaping the Future

Core Values

- i. Integrity
- ii. Diligence
- iii. Excellence
- iv. Accountability
- v. Creativity

(c) Key Management

The Principal, the University College Management Board, Heads of Departments are responsible of the day-to-day operations of the University College. The University College Management Board (UMB) meets weekly and is responsible for the execution of all policies on behalf of the University College Council. The UMB is chaired by the Principal who is the Chief Executive Officer. Heads of Departments and chairperson of academic departments are key implementers of UMB decisions through laid down statutes and report to the UMB through their respective supervisors.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

| No. | Designation | Name |
|-----|------------------------|-------------------------|
| 1. | Principal | Prof. Zipporah Ng'ang'a |
| 2. | Deputy Principal | Prof. Thomas Sakwa |
| 3. | Ag. Registrar | Dr. Benson Mburu |
| 4. | Finance Officer | CPA. Peter Kamuri |
| 5. | Human Resource Officer | Mr. Ignatius Gichia |
| 6. | Procurement Officer | Mr. Zachary Kariuki |

(e) Fiduciary Oversight Arrangements

The key oversight committees are;

1. Administration, Finance and Planning Committee

a) Membership

- i) Two members of Council one of whom shall be the Chairperson;
- ii) Principal Secretary for the time being responsible for University Education;
- iii) Cabinet Secretary for the time being responsible for Finance;
- iv) Principal- Secretary

b) Terms of Reference

- i) Receive, consider, and recommend for Council approval, annual estimates of revenue and expenditure
- ii) Oversee compliance of budgetary allocation as approved within its annual budgets
- iii) Generate and receive proposals for subscription, donations, and bequest for onward transmission to Council for consideration
- iv) Oversee proper recording of accounts of the income, expenditure and assets of the University College and submission of financial reports as by law required
- v) Oversee proper vesting of all immovable property, shares, funds, and securities in the name of the University College
- vi) Receive and consider for onward transmission to Council proposal for investing University College funds subject to legal requirements
- vii) Receive for consideration and onward transmission to Council reports on management and administration of University College:
 - a. land and buildings;
 - b. machinery and equipment;
 - c. funds;
 - d. Vehicles.
- viii) Receive and consider proposals for University College fees and any other charges and recommend to the council for consideration and approval.
- ix) Receive recommendation for onward transmission to Council on scholarships, bursaries, and other awards.
- x) Receive proposals on opportunities for investments, for processing and onward transmission to council for consideration and approval.

- xi) Receive and consider proposals on acquisition of fixed assets and recommend to Council for appropriate action.
- xii) Receive reports on performance of University College investments and submit proposals for Council consideration.
- xiii) Receive, consider, and submit for Council approval the annual Procurement Plan of the University College.
- xiv) Recommend for Council approval the sale, purchase, exchange, lease, or take on of movable and immovable property.
- xv) Subject to the laid down government procedures, to recommend for Council approval:
 - i. The borrowing of money on behalf of the University College.
 - ii. Mortgaging or charging all or any part of movable and immovable property.
- xvi) Receive for consideration and recommendation to Council opening, and/or closing of bank account(s) for the funds of the University College;
- xvii) Receive, consider, and make recommendation to Council on reports of implementation of the University College Master Plan bi-annually.
- xviii) Receive, consider, and submit for Council approval proposals on new projects.
- xix) Review the performance of all ongoing projects and submit reports to Council on a quarterly basis.
- xx) To consider and recommend to the Council for approval and adoption:
 - a. The vision, core values and the strategic direction of the University College;
 - b. University College Organogram;
 - c. The performance contract reports;
 - d. The changes to governance framework (Universities Act, Charter, Statutes among others);
 - e. Oversees the development, review, and implementation of the University College Strategic Plan in conformity with the medium-term fiscal framework and policy objectives;
 - f. Benchmark and promote global best Corporate Governance practices.
- xxi) Transact any other business as directed by Council

2. Audit, Risk and Compliance Committee

a) Membership

- i) Two Independent members of Council one of whom shall be the Chairperson. One of the members should be well-versed in financial matters;
- ii) Principal Secretary for the time being responsible for University Education;
- iii) Cabinet Secretary for the time being responsible for Finance
- iv) Internal Auditor who shall be the secretary.

b) Terms of Reference

- i) Receive, review, and recommend internal control mechanisms towards improving efficiency, effectiveness, transparency and accountability;
- ii) Receive and discuss internal and external audit reports and make recommendations to Council;
- iii) Review and oversee the settlement and implementation of recommendations from the Public Accounts and Public Investments Committees (PAC/PIC) Senate and relevant committees of Parliament
- iv) Review and regularly report to Council on the effectiveness and efficiency of the Internal audit function;
- v) Review Management procedures and make proposals to Council for mainstreaming Of Risk Management, Controls and Governance;
- vi) Review and submit for Council approval the audit and risk management committee and internal audit department Legal Notices, and the internal audit annual work plans;
- vii) Review and submit proposals to Council on improvement of efficiency and effectiveness of Management systems, including and not limited to high-risk areas such as public finance, human resource, academic programs, and general internal controls;
- viii) Review and submit a report to Council on compliance with policies, laws, regulations, procedures, plans, and ethics;
- ix) Initiate special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency;
- x) Receive, consider, and submit to Council progress reports from the head of internal audit unit including:
 - a. Work performed compared with work planned;
 - b. Key issues emerging from internal audit work done;

- c. Status of management response to audit findings and recommendations;
 - d. Changes to the annual work plan;
 - e. Any other relevant audit reports.
- xi) Resolve any difficulties or unjustified restrictions or limitations on the scope of internal audit work.

3. Academic, Research and Student Affairs Committee

a) Membership

- i) Two members of Council one of whom shall be the Chairperson;
- ii) Principal Secretary for the time being responsible for University Education;
- iii) Cabinet Secretary for the time being responsible for Finance;
- iv) Principal– Secretary

b) Terms of Reference

- i) Receive, consider, and recommend for approval regulations governing Students and staff conduct and discipline;
- ii) Receive, consider and/ or recommend proposal for affiliations, linkages, Partnerships and associations and report to the council for ratification;
- iii) To receive, verify and seal certificates before they are issued to graduands;
- iv) Receive and consider reports from Academic Board and make recommendations to Council on Academic Matters including:
 - 1. Curriculum and academic standards of any course of study;
 - 2. The establishment, harmonization or abolition of Schools, Institutes, Units, Departments, and Centres;
 - 3. Academic affiliations, linkages, partnerships, and associations;
 - 4. Promotion of research and innovation work in the University College and dissemination of the findings;
 - 5. Quality standards and assurance of education, training, research, and innovation;
 - 6. Regulations for the eligibility of persons for admission to a course of study;
 - 7. Regulations for the standard of proficiency to be gained in each examination for a degree, diploma, certificate, or other award of the university;
 - 8. The Constitution of the Students' Association. Policies, regulations, strategies, plans, and standards governing Academic, Research and students' matters;

9. Reports from Academic Board on new/revised programmes, student's admissions, and graduation for adoption;
10. The Academic Board nomination (s) for the Honoris Causa degree.
11. Receive and consider reports on students' welfare;
- v) Receive and consider the constitution of an Alumni Association and receive reports on their proposals and recommendations:
- vi) Transact any other business as directed by Council.

4. Human Resources Committee

(a) Membership

- i) Two members of Council one of whom shall be the Chairperson;
- ii) Cabinet Secretary for the time being responsible for Finance;
- iii) Principal Secretary for the time being responsible for University Education;
- iv) The principal. (Secretary);

(b) Terms of Reference

Consider and recommend to Council for approval and adoption of:

- i) Terms and conditions of service of all staff members;
- ii) Policies pertaining to staff benefits appointment, promotion, appraisal, and discipline;
- iii) Regulations governing staff conduct;
- iv) Reports on establishment of staff, Staff development plan and University staff welfare;
- v) The staff succession plan and Schemes of Service.;
- vi) Reports from the Appointments and Promotions, Senior Board and Junior Staff Disciplinary Board;
- vii) Oversee the conduct of interviews for employment, appointment, and promotion of members of faculty and staff from grade 13 and submit reports to council;
- viii) Consider and recommend for approval terms and conditions of service, criteria for recruitment, appointment, and promotion of staff;
- ix) Oversee the development and implementation of a Human Resource strategy;
- x) Adjudicate on staff and student disciplinary appeals.

(f) Mama Ngina University College Headquarters

Mama Ngina University College
P.O Box 444-01030
Gatundu, Kenya

(g) Mama Ngina University College Contacts

Telephone: (+254)020 208 4004 / (0)740 931 797
Email: principal@mnu.ac.ke, info@mnu.ac.ke
Website: www.mnu.ac.ke

(h) Mama Ngina University College Bankers

1. Co-operative Bank of Kenya Ltd.
P.O. Box 48231 – 00100
Nairobi, Kenya
2. Kenya Commercial Bank Ltd
P. O. Box 30081
Nairobi, Kenya
3. Equity Bank Ltd
P.O. Box 75104 – 00200
Nairobi, Kenya
4. Family Bank Ltd
P.O. Box 74145-00200
Nairobi, Kenya

(i) Independent Auditor



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

(j) Principal Legal Adviser



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

3. The University Council

| REF | DIRECTORS | DETAILS |
|-----|---|--|
| |  <p data-bbox="260 813 584 846">Dr. Dinah J. C. Mwinzi</p> | <p data-bbox="671 371 1509 701">Dr. Dinah Mwinzi is the second Chair of the MNUC Council (June 2024 to date). Dr. Dinah was born in the year 1966. She holds a PhD in Education Communication from Moi University, a Master of Philosophy (M.Phil) in Philosophy & Religion from Moi University. She also holds a Bachelor’s degree in Education (Arts) from Kenyatta University and a Postgraduate Diploma in Leadership Development in ICT & Knowledge Society from Dublin City University, Ireland.</p> <p data-bbox="671 707 1509 869">She has served in various leadership positions regionally and nationally. Currently, she is the President at Rafiki Ya Maisha Kenya, a local CBO that champions the development of TVET in Kenya.</p> <p data-bbox="671 875 1509 1205">Dr. Mwinzi has also served as the Principal Secretary Vocational and Technical Training, and a Director at TVETA, KNQA, EASEN, Ministry of Youth Affairs & Sports (Youth training), and E-learning Africa. Other appointments include: immediate former Chairperson, Kenya Industrial Research and Development Institute (KIRDI), Vice-Chancellor of KAG East University, Nairobi and member, Board of Governors RVTTI, Eldoret-Kenya.</p> |
| |  <p data-bbox="276 1653 563 1686">Dr. David A. Oginde</p> | <p data-bbox="671 1256 1509 1626">Dr. David A. Oginde was the first Chair of MNUC Council (December 2021 to June 2024). He was born in the year 1959. He holds a PhD in Leadership from Regent University, USA; Master of Arts degree in Leadership and a Certificate in Professional Mediation from Pan Africa Christian University. He also holds a Diploma in Management from Kenya Institute of Management, a Post Graduate Certificate in Biblical Studies from Trinity International University, USA and a Bachelor of Architecture, from the University of Nairobi.</p> <p data-bbox="671 1632 1509 1877">He has served in various leadership positions globally, regionally and nationally. Dr. Oginde is the current Chair of the EACC and the immediate former Presiding Bishop of CITAM Assemblies, he has also held various positions in the Church including his current appointment as the Chairman, the Evangelical Alliance of Kenya (EAK).</p> <p data-bbox="671 1883 1509 2045">Other appointments include; Trustee; Hesabika Trust, Chairman of the Kenya Church Taskforce, member of the Board of Directors of Biblica Kenya and he is also a Host of the Leadership Forum Program at Hope FM Radio</p> |


| REF | DIRECTORS | DETAILS |
|-----|---|--|
| |  <p>Dr. John Nyangena Alternate to the PS. The State Department for Higher Education and Research.</p> | <p>Dr. John Nyangena is the Alternate to the PS. the State Department for Higher Education and Research. Dr. John Nyangena was born in the year 1972. He holds a PhD in Environmental Planning and Management from Kenyatta University, Kenya. He has trained on Environmental Impact Assessment, Project Management, Natural Resource Management and Environmental economics and econometrics. He has worked for over fifteen (15) years as an economist responsible for the preparation of ministerial expenditure reviews and has contributed enormously towards the preparation of comprehensive public expenditure reports. He is currently the Chief Economist-State Department for Higher Education and Research, Ministry of Education.</p> |
| |  <p>Dr. Karen N. Kandie Alternate to the PS. The National Treasury</p> | <p>Dr. Kandie is the alternate to the PS. the National Treasury. She was born in the year 1963. She is a finance specialist with over twenty (20) years of strategic leadership and management experience in senior leadership positions in the financial services industry. She is currently the Director of Parastatal Reforms (Financial) at The National Treasury and Economic Planning, where she leads Parastatal Reforms that are geared towards reducing fiscal pressures by making public spending more efficient and transparent. She holds a Bachelor of Commerce from the University of Nairobi, a Master of Business Administration from Murdoch University, Western Australia and a Doctor of Business Administration (Finance) from the Catholic University of Eastern Africa, Kenya.</p> |

| REF | DIRECTORS | DETAILS |
|-----|--|--|
| |  <p data-bbox="204 712 635 779">Prof. Judith Mbula Bahemuka, PhD</p> | <p>Prof. Judith M. Bahemuka is an Independent Member of the Council. She was born in the year 1942. She is the Chairperson of the Academic, Research and Student Affairs Committee and a member of the Audit, Risk and Compliance Committee.</p> <p>Prof. Bahemuka is currently a member of Department of Sociology and Social Works at the University of Nairobi and UNESCO/UNITWIN. She serves as a member of the Committee of Eminent COMESA Elders on Governance, Peace and Security, and a member of UNESCO International Liaison Committee on Comparative Knowledge. Other current appointments include; the Chancellor of the University of Eldoret and a member of the Kenya Rural Enterprise Programme (KREP) Development Agency Board.</p> <p>She has previously served in various national and global positions such as being an Advisor for international organizations, a Board member and a Chairperson in a public university. She has also served as a Vice Chair of the Kenya Commission for University Education and High Commissioner to Canada and accredited to Cuba. Other appointments include; Ambassadorial role to the United Nations, Executive Board memberships and Chair of the National Committee on Management of Social Transformation (MOST) Programme of UNESCO.</p> <p>Prof. Judith has been honoured as a Goodwill Ambassador for Peace and Security in Kenya, and Global Peace Foundation. She is also a renowned Consultant, with global recognition.</p> |
| |  <p data-bbox="236 1805 596 1872">CS. Clare Asiko Abuodha (Advocate)</p> | <p>CS Clare is an independent Member of the Council. She was born in the year 1985. She is the Chairperson of the Audit, Risk and Compliance Committee and a member of the Academic, Research and Student Affairs Committee.</p> <p>CS Clare is currently the Head of Legal at the Institute of Certified Public Accountants of Kenya. Prior to that, she was the Legal Officer I at the Retirement Benefits Authority from 2017 to 2021 and (Special Duty) Head of the Legal Retirement Benefits Authority from 2015 to 2017. She holds an LL.M., Master of Laws, LL.B, and Bachelor of Laws from the University of Nairobi and a Bachelor of Arts in Business and Management Studies from Leeds Beckett University, United Kingdom.</p> <p>She is also a Certified Public Secretary, an advocate of the High Court of Kenya and a Commissioner for Oaths. She has undertaken several Professional Development programmes both nationally and internationally and has also been at the forefront of offering legal advisory services to various National Government Committees.</p> |

| REF | DIRECTORS | DETAILS |
|-----|--|---|
| |  <p data-bbox="217 770 596 804">Dr. Wambui Kristina Pratt</p> | <p data-bbox="659 315 1497 1066">Dr. Kristina is an Independent Member of the Council and a member of the Human Resource Committee. Dr. Kristina was born in the year 1951. She holds an MSC Education Psychology from Leigh University and a BSC in Special Education from Kutz Town State College and a Doctorate of Humane Letters (Honaris Causa) from Kenyatta University. She has served in various Boards in both the public and private sectors including being a Chairperson of the National Fund for the Disabled of Kenya, a Council member of Kenya Society for the Blind, a Committee member of the Flying Doctors’ Society of Africa among others. Dr. Kristina is nationally and internationally recognized for her exemplary contribution in the society. These include the establishment of Kenya Institute for Special Education (KISE), contributions towards the works of the Handicapped, a presidential award by the United States President Jimmy Carter in March 1980 among others. Other presidential awards include: Elder of the Order of the Burning Spear (E.B.S) and Chief of the Order of the Burning Spear (C.B.S).</p> |
| |  <p data-bbox="201 1675 612 1709">Hon. George Kamau Muhoho</p> | <p data-bbox="659 1249 1497 1868">Hon. George Muhoho is an Independent Member and the Chairperson of the Administration, Finance and Planning Committee. He was born in the year 1938. He holds a PhD degree in Education Policy and Master Degree in Canon Law (Urbanian University, Rome). He also holds a Post Graduate Diploma in International Relations & Diplomatic Practice. Hon Muhoho is currently the Chairman of Bismal Investment Limited and an established Business/Institutional leader having served in various Ministerial dockets including the Ministry of Tourism and Wildlife (1986-1989), and the Ministry of Research, Science and Technology (1989-1992). Other key appointments include; Assistant Minister, Ministry of Education, Science and Technology (1985-1986), Director of Information (UNEP), Managing Director (KAA) and Member of Parliament for Juja Constituency (1984-1992).</p> |

| REF | DIRECTORS | DETAILS |
|-----|---|--|
| |  <p data-bbox="272 712 564 745">Dr. Nyang'ate Areba</p> | <p data-bbox="671 282 1509 443">Dr. Nyang'ate is an Independent Member of the Council. Dr. Nyang'ate was born in the year 1956. He is the Chairman of the Human Resource Committee and a member of the Administration, Finance and Planning Committee.</p> <p data-bbox="671 450 1509 864">He holds a PhD degree in Organizational Development and Transformation from Cebu Doctors' University, Philippines. He also has a Master of Business Administration (MBA), Human Resource from Egerton University and a Bachelor of Education (B.Ed) degree in Economics and Business Studies from the University of Nairobi. Dr. Nyang'ate has a wealth of experience in leadership and management within the education sector having grown his career through the ladder to become a Senior Deputy Director of Education, Directorate of Higher Education, a position he held from 2009 to 2016.</p> <p data-bbox="671 887 1509 1003">Dr. Nyang'ate is an expert in Organizational Development and Management, Human Resource Management and Development, Strategic Management and Operations Management.</p> |
| |  <p data-bbox="260 1518 576 1552">Prof. Waceke Wanjohi</p> | <p data-bbox="671 1030 1509 1146">Prof. Waceke Wanjohi is an Ex – Officio Member of the Council and the Vice – Chancellor, Kenyatta University. Prof. Waceke was born in the year 1962.</p> <p data-bbox="671 1153 1509 2072">She is a Professor of Plant Pathology in the School of Agriculture and Environmental studies at Kenyatta University. She is a scholar of international repute with extensive university working experience that spans over 35 years. She has immensely contributed to university education through various innovative and collaborative initiatives and in her different leadership and management roles; both within and outside the University. She is a distinguished researcher, reviewer and author of several international journals thereby earning both national and international recognition and Awards. She is a Fellow of the Royal Society of Biology; a Fellow of the Kenya National Academy of Sciences (KNAS); a Fulbright Senior Research Fellow; a Fellow of the African Women in Agricultural Research and Development (AWARD) and was recognized as an outstanding Scientist by the Falling Walls Foundation in Germany. Currently, Prof. Wanjohi is the Ag. Vice Chancellor. She is also the Vice President of the KNAS Governing Council and a Member of the International Science Council Standing Committee for Science Planning in France (2022-2025). She has been awarded the Exemplary Performance and the Extra Mile Awards by Kenyatta University during the Annual University's honors day.</p> |

| REF | DIRECTORS | DETAILS |
|-----|---|--|
| |  <p data-bbox="236 703 580 775">Prof. Zipporah Waithera Ng'ang'a, PhD</p> | <p data-bbox="659 271 1497 387">Prof. Zipporah Waithera Ng'ang'a is an Ex- Officio Member and Council Secretary. She was born in the year 1960. She is the Principal of Mama Ngina University College.</p> <p data-bbox="659 398 1497 1402">Prof. Zipporah Ng'ang'a is a Professor of immunology with extensive working experience in the universities for thirty-six (36) years. She holds a PhD (Doctor of Philosophy) from Kenyatta University, an Executive MBA from JKUAT, an MSc and a Bachelor of Science from the University of Nairobi, Kenya. She is a member of various professional bodies including the ARPPIS Scholars Association (ASA), African Women in Science and Engineering (AWSE), and Kenya Professional Association of Women in Agriculture and Environment (KEPAWAE) among others. Prior to her appointment as the Principal of Mama Ngina University College, she served as the Deputy Vice-Chancellor (Academic, Research and Student Affairs), South Eastern Kenya University for ten (10) years. She has also served as Ag. Deputy Vice-Chancellor (Administration and Human Resource Management), South Eastern Kenya University (SEKU), Ag. Principal, College of Health Sciences (COHES), Jomo Kenyatta University of Agriculture and Technology (JKUAT) and as the Director, Institute of Tropical Medicine and Infectious Diseases (ITROMID), Jomo Kenyatta University of Agriculture and Technology (JKUAT) among many other roles in the academic arena. Prof. Ng'ang'a has extensively published in peer-reviewed journals and also supervised to completion One hundred and fifteen (115) master's and twenty-three (23) PhD students in the area of Immunology & Public Health.</p> |

| REF | DIRECTORS | DETAILS |
|-----|---|---|
| |  <p data-bbox="264 723 568 757">Prof. James B. Kungú</p> | <p data-bbox="667 286 1511 443">Prof. James Biu Kung'u is the former Ag. Principal of Mama Ngina University College and the immediate former Ex- Officio Member and Council Secretary. Prof. James was born in the year 1962.</p> <p data-bbox="667 454 1511 656">He holds a PhD (Silviculture and Forest Influences) and an MSc (Silviculture and Forest Influences) degrees from the University of the Philippines Los Baños and a Bachelor of Science (Forestry) degree from Moi University, Kenya. He is a Professor of Landscape Restoration and Climate change.</p> <p data-bbox="667 667 1511 992">Prof. Kungú is the Interim Executive secretary of African Network for Agriculture, Agroforestry and Natural Resources Education (ANAFE). He has served before as the Ag. Deputy Vice-Chancellor (Administration) and Ag. Deputy Vice-Chancellor (Finance and Development), Director, Global Tourism Resilience and Crisis Management Centre, Dean, School of Environmental Studies and Chairman, Department of Environmental Sciences at Kenyatta University.</p> <p data-bbox="667 1003 1511 1205">He has also served as the Chairman, East and Central Africa Regional Network for the African Network for Agriculture, Agroforestry and Natural Resource Education and is a member of Inter-university Council of East Africa committee for the theme on Agriculture and Forestry.</p> |

4. Key Management Team

| | Management | Academic/Professional Qualifications | Details |
|----|--|--|---|
| 1. |  <p>Prof. Zipporah Ng'ang'a (Ph.D.)</p> | <p>BSc (UoN), M.Sc. (UoN), Ph.D. (KU), EMBA(JKUAT)</p> | <p>Principal (Chief Executive Officer)</p> |
| 2. |  <p>Prof. Thomas W. Sakwa, (D.Phil)</p> | <p>BSc., M.Phil., D.Phil. (MU)</p> | <p>Deputy Principal</p> |
| 3. |  <p>Dr. Benson K. Mburu</p> | <p>B.Sc. (MOI), M.Sc. (Granada-Spain), Ph.D. (KU)</p> | <p>Registrar Academic and Student Affairs (ASA)</p> |

| | | | |
|----|---|--|-------------------------------|
| 4. |  <p>Mr. Ignatius W. Gichia,</p> | <p>B.Ed. (KU), PGD, HRM (MOI), M.A. (Manchester, UK)</p> | <p>Human Resource Officer</p> |
| 5. |  <p>CPA. Kamuri Peter</p> | <p>BBM. (Moi), MBA (KU-On going), CPA (K.)</p> | <p>Finance Officer</p> |
| 6. |  <p>Zachary Kariuki</p> | <p>BPL (KCA), MBA (KU-On going) MKISM</p> | <p>Procurement Officer</p> |

5. Chairperson's Statement.



It is my delight and privilege to present the Annual Report and Financial Statement for the year ended 30 June 2024 for Mama Ngina University College. The Ministry of Education appointed Kenyatta University to mentor the establishment and growth of Mama Ngina University College in 2016. Since then, the University College has continued to work closely with other stakeholders to ensure that the College fulfils the necessary legal and statutory requirements to become operational.

The Mama Ngina University College (MNUC) Council was appointed on 3rd December, 2021 through the Gazette Notice No. 13129 following the Gazettment of the MNUC as a constituent College of Kenyatta University on 17th September, 2021. I was later appointed as the Chair of the Council on 6th June, 2024.

I would wish to highlight that in the University College income for the year amounted to KShs. 257,511,047 which is composed of Government Grants, Tuitions fees and other internally generated incomes. The expenditure for the year under review amounted to KShs. 240,798,419 which is composed of Personnel Emoluments and Operation and Maintenance expenses. The management is optimistic that our revenues will increase in the coming financial year in particular Tuition and other fees as we anticipate a higher student enrolment in the next (September, 2024) intake.

Mama Ngina University College Council and Management has developed the 1st University College 2022 – 2027 Strategic Plan which is under review in line with the Government guidelines. The Strategic Plan under review will be anchored on the institution's core functions, Bottom up Economic, Transformation Agenda (BETA), Kenya Vision 2030, Sustainable Development Goals (SDGs) and African Union 2063. This is a major tool which is geared to give the University College a clear roadmap in solving societal needs as well as meeting its goals and objectives.

On infrastructure

With the continued support of the Government and other stake holders, the University College as a new institution, is committed to establish more facilities in view of obtaining the required infrastructural capacity, for quality training and research as well as service.

We will continue to work closely with the Government and other Collaborating partners to provide highly competitive and versatile graduates which the Country and Region need to solve emerging issues.

I take this opportunity to thank the Government of Kenya and all stakeholders, both internal and external for their continued support.

Lastly, I want to thank my fellow members of Council, University College Management, members of staff and students for their effort, support, team work and achievements realized in the financial year ended 30th June, 2024.



DR. DINAH J. C. MWINZI
CHAIRPERSON, MAMA NGINA UNIVERSITY COLLEGE

6. Report of the Chief Executive Officer/ University College Principal



I am pleased to present the Annual Report and Financial Statements of Mama Ngina University College for the year ended 30th June 2024. The University College's financial performance during the reference year was influenced by many internal factors coupled with other situations on the national and global scenes. In the higher education sector, the University College had to contend with challenges like dwindling capitation from the exchequer, high competition for students, and declining enrolment of self-sponsored

students among other issues.

MNUC has successfully established a comprehensive teaching and training program, marking a significant milestone in its academic development. This achievement was realized through the introduction of twenty-three (23) strategically designed programs, all of which received approval from both the Kenyatta University Senate and the Commission of University Education (CUE). The University College also achieved academic excellence by establishing and operationalizing three (3) schools and four (4) academic Departments. This structural expansion not only broadened the academic offerings but also provided a well-organized framework for the efficient delivery of education and training.

The University College also established initiatives to create a distinctive and conducive learning experience through establishment of a state-of-the-art learning environment and Invested in cutting-edge infrastructure to enhance the overall learning atmosphere as well as provision of advanced Information and Communication Technology (ICT) facilities to support modern educational practices. These efforts collectively contribute to fostering a dynamic and enriching educational environment, promoting a positive and effective learning experience within the institution.

MNUC bolstered the research capabilities and capacities of its staff by providing targeted training, fostering valuable collaborations with relevant institutions, actively participating in national conferences and workshops, and significantly increasing research output through publications in peer-reviewed journals. The establishment of a University College repository further contributes to showcasing the institution's research contributions. Additionally, the development and implementation of a Science, Technology, and Innovation mainstreaming strategy have proven pivotal in achieving a noteworthy milestone of securing a perfect 100% score from the National Commission for Science, Technology, and Innovation (NACOSTI) in the 19th Cycle for the financial year 2022/2023. This accomplishment stands as a key marker in MNUC's dedication to fostering excellence in research and innovation.

MNUC also developed infrastructure to effectively support teaching, research and innovation. This was achieved through provision of additional office spaces, construction of lecture rooms and creation of appropriate social, sports and recreation facilities. Additionally, installation of pertinent ICT systems and accompanying infrastructure, acquisition and implementation of an Enterprise Resource Planning (ERP) software marked another significant milestone, contributing to the efficient management and streamlining of various business processes.

The University College had staff establishment. Highly qualified and competent staff in respective fields were recruited. Additionally, the terms of employment for forty-four (44) staff members were transitioned from contractual to permanent and pensionable.

Provision of holistic experience and enrichment of campus life is notably one of the achievements of MNUC. This has been achieved through mentorship and establishment of sporting activities, strengthening of religious groups' engagements to address students' personal, spiritual, and developmental needs, development of a comprehensive wellness programme for students, establishment of a student mentorship programme and mentoring activities.

MNUC has consistently been involved in community outreach programs aimed at contributing to the local community. This commitment is demonstrated through initiatives such as promoting preventive healthcare in the neighbouring community by organizing annual medical camps, annual tree planting exercises and food donations. Furthermore, the University College actively fosters opportunities for both staff and students to participate in community outreach and corporate social responsibility (CSR) activities, thereby encouraging a broader engagement with and service to the community.

Appreciation

I wish to express my sincere gratitude to the Ministry of Education, the National Treasury, Kenyatta University and the University College Council for their continuous support in the success of the University College this far. My appreciation also goes to the entire University College Management and members of staff for their respective roles and efforts in the laying the firm foundation and putting structures in place that allow the institution to attain its mandate. On behalf of the Management, I also thank all our other stakeholders for their support and partnership without which this achievement would not have been attained.



PROF. ZIPPORAH W. NG'ANG'A
PRINCIPAL

7. Statement of Performance against Predetermined Objectives for FY 2023/2024

Mama Ngina University College has four (4) key priority / strategic areas identified within the current Strategic Plan for the FY 2022-2027.

These strategic issues are as follows:

- Strategic issue 1: Academic Excellence
- Strategic issue 2: Research, Innovation, Technology and Outreach
- Strategic issue 3: Institutional capacity
- Strategic issue 4: Financial Sustainability and Resource Mobilization

Mama Ngina University College develops its annual work plans based on the above four (4) key priority areas. Assessment of the Council's performance against its annual work plan is done on a quarterly basis. The University College achieved most of its performance targets set for the FY 2023/2024 period for its 4 key priority areas, as indicated in the table below:

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|---------------------|---|--|--|--|
| Academic Excellence | Establish comprehensive teaching and training in all University College program | No. of strategic programmes mounted | Mounting strategic programs | MNUC Mounted 9 Bachelors programmes in the 2023/24 academic Year. Additionally, the University College also mounted Master of Business Administration programme as well as offering short courses. |
| | Effective planning and monitoring of all teaching and training programmes | Timely release of timetables | Timetabling and units' allocation | Timetabling was effectively planned and monitored to ensure the facilities are well distributed for teaching and learning. |
| | | Student lecturer evaluation results | Teaching and learning | Lecturer evaluation was conducted before the examinations to ascertain satisfaction levels of students at the end of the semester |
| | Institutionalize Academic Quality Assurance Standards | % of Academic programmes approved by CUE | Adopt CUE guidelines for academic programmes | All programmes on offer at MNUC have approved by CUE through Kenyatta University. |
| | | Appointment of academic advisors | Institute Academic advisory services | Five academic advisors were appointed in the School of Health Sciences, School of Business, Economics and Humanities and School of Pure and Applied Sciences. |
| | | Provision of sufficient | Provide students and | Internet coverage from all key area was enhanced in the |

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|--|---|---|---|--|
| | | internet coverage and library resources | staff members with a state-of-the art learning environment, ICT and Library services | University College. Additionally, The Library was well equipped with print resources as well as e-resources for learning |
| | Initiate sustainable partnerships and collaborations through linkages with relevant local, regional and international networks and industries | Number of signed MoUs | Establish strong linkages and collaboration with institutions and industry both locally and internationally | MNUC Initiated and signed four (4) collaborative agreements with; <ol style="list-style-type: none"> 1. Pumwani Hospital and Thika Level V Hospital to support students in the School of Health Sciences. 2. AFRALTI (African Advanced Level Telecommunications Institute) for annual student hackathons and use of AFRALTI IoT Laboratory. 3. Ministry of Education – Gatundu sub county, on structured mentorship partnership for outreach activities. 4. CISCO Networking Academy |
| Research, Innovation, Technology and Outreach | Build a robust community of researchers | Sensitization forums | Enhance research capability and capacity among staff and students | MNUC developed an Intellectual Property Rights policy as well as an institutional repository to support research. Additionally, several sensitizations and workshops were held to support University staff in research initiatives. |
| | Disseminate research findings to the scientific community and society | Number of publications published | Publishing of articles in peer reviewed journals | Nine (9) articles were published in peer reviewed journals, to disseminate research findings. |
| | | Number of International Scientific Conferences attended | Participation in National/ International Scientific Conferences | Academic Staff attended four (4) Scientific Conferences to disseminate research findings. |

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|-------------------------------|--|--|--|---|
| | | Number of National/ International Scientific Workshops attended. | Participation in National/ International Scientific Workshops. | Academic staff participated in nine (9) National/ International Scientific workshops to disseminate research findings. |
| | | Number of outreach programmes attended | Engage in Outreach Programmes | MNUC engaged in two (2) outreach programmes: MNUC conducted a baseline survey on empowerment strategies to enhance the performance of Agribusiness in Gatundu South Constituency focusing on men, women, youths and persons living with disability. The survey sought to identify needs of MSMEs farmers in Gatundu Sub County to identify financial and literacy challenges and gaps. |
| Institutional Capacity | Physical Infrastructure and facilities | % Completion of key infrastructure | Construction of phase 1 of the tuition block | In The FY 2023/2024, the University College commenced the construction of phase 1 of the tuition block for the sustainability of the University College. The phase one was 95% complete at the end of the financial year. |
| | Human Resource Development | Number of staff with PhD Degrees recruited | Recruitment of academic staff with PhD degree | The University College recruited 6 additional PhD lecturers within the financial year to support teaching and learning. |
| | | Number of interventions implemented | Retain Competent and high qualified staff | To support this objective, the University College conducted skills gap analysis to identify key intervention areas and training needs. |

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|---|--------------------------------------|---------------------------------|---|---|
| | Information Communication Technology | Number of Automated processes | Acquire systems that will assist in improving work efficiency for the institution's workforce | MNUC acquired an ERP system to automate processes under the following modules:. 1. Admissions and Registration Module 2. Academics, Examination Module and Timetabling Module. 3. Human Resource & Payroll Management Module. 4. Procurement and Inventory Control Module. 5. Finance and Accounting Module. 6. Transport and Fleet Management Module. 7. Cafeteria Management Module. 8. Hostels Management Module. 9. Clinic Management Module |
| Corporate Governance, Leadership and Management | | | | |
| | i. Corporate Governance | ISO 9001:2015 Certification | Institutionalize and implement a functional Quality Management System | a) MNUC engaged KEBS to conduct certification audits, where a Stage 1 audit was conducted and the University recommended for stage 2 audit. b) Stage 2 audit to be done in FY 2024/2025 |
| | ii. Student Management and focus | Number of community engagements | Engage local community for mutual benefit | MNUC engaged the local community in two (2) in the following activities a) MNUC conducted an annual medical camp on 14 th October 2023, in collaboration with Aga Khan University Hospital Nairobi, Equity Afia Juja, Mater Misericordiae Hospital, and Dawa Limited. b) Additionally, The University College engaged Gatundu Sub County education |

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|-----------------|------------------------------------|--|---|--|
| | | | | department, local secondary schools and local primary schools in celebrating the International Day of the African Child (IDAC) |
| | iii. Leadership | Number of capacity building forums | Build Capacity of the MNUC Council in the Principles and practice of corporate governance | The University College undertook a Corporate Governance training for public sector boards in collaboration with Kenya School of Government(KSG), held from 16 th to 19 th January 2024, the training was attended by Members of University College Council Members of Management, |
| | iv. Marketing and Communication | Number of marketing forums established | Establish MNUC as a brand and institution of choice | MNUC appeared on the Daily Nation (2), The Standard, KBC TV, Inooro TV, Inooro Radio and Kameme TV during the University CSR activities. Additionally, the University College attended forums at CECEK Higher Education Expo, DCC Kasarani and PCEA Thirika Christmas Extravaganza. |
| | v. Corporate social responsibility | Number of Community Outreach projects designed and implemented | Actualize partnerships with various stakeholders to implement community outreach and CSR activities | In the collaborative efforts towards conservation of the environment and promotion of agriculture, MNUC conducted two tree planting exercise a) On 26 th October 2023, in partnership with Equity bank at Kibii Primary in Kiambu County b) At Theta Dam, 26 th April 2024 in partnership with Equity Bank Gatundu Branch and Gatundu Water & Sanitation Company (GWSC). |
| | vi. Safety and Security | % of security systems installed | Install fire extinguishers, alarms and | The University College installed 10% of key security Systems in the new tuition block. |

| Strategic Issue | Objective | Key Performance Indicators | Activities | Achievements |
|---|------------------------------------|---|--|---|
| | | | emergency communication system | Additionally, the University has developed a policy on management of hazardous materials and waste. Policy. |
| Financial Sustainability and Resource Mobilization | Improve internally Generated funds | Number of income generating initiatives established | Develop new programmes responsive to market needs. | MNUC introduced the following two (2) new income generating initiatives in the financial year; a) Mounting of MBA programmes and attracting of self-sponsored students, b) Introduction of KIEP SKIES project which has increased other incomes collection through the short course programme offered |

The annual performance contract targets for MNUC are drawn from the strategic plan on yearly basis through identification of targets and performance indicators from the above key strategic issues which are then cascaded down, from the top to individual staff for implementation. This ensures that the identified targets are successfully achieved. Additionally, The University College established a Strategic Plan Committee, which oversees the implementation process through the monitoring and evaluation framework.

8. Corporate Governance Statement

The University Council

The Council is guided by the Universities Act 2012, University College Statutes, Mwongozo Code of Governance and Council Charter which defines the governance guidelines within which the Council exists and operates. They clearly state the respective roles, responsibilities and authorities of the Council and its Committees.

Council Appointment and Composition

In accordance with the Universities Act No. 42 of 2012, clause 36 (1 and 1A) the University College Council comprises of ten members appointed by the Cabinet Secretary for a period of three years and are eligible for re-appointment for a further one term.

The members for the year under review were appointed on 2nd December 2021. The membership of the Council is as follows:

- i). The Chairperson
- ii). Principal Secretary, Ministry for the time being responsible for the University Education
- iii). Principal Secretary, Ministry for the time being responsible for Finance and The National Treasury
- iv). Five independent members appointed by the Cabinet Secretary, Ministry for the time being responsible for University Education
- v). The Vice-Chancellor, Kenyatta University who shall be an ex-officio member
- vi). The Principal, who shall be ex-officio and the Council Secretary

Council Diversity

The Council members possess a broad range of skills, expertise, experience and knowledge essential to undertake the University's mandate. The areas of expertise of the current Council members include Leadership, Management, Finance, Special Education, Information Science, Education Administration, Sociology and Law among others.

Separation of Powers and Duties

The Chairperson of Council's responsibilities include the leadership and governance of the Council, ensuring its effectiveness and setting its agenda. The Principal's roles and responsibilities include the day-to-day operation and management of the University College's business and overseeing the implementation of strategies and policies approved by the Council. This is clearly stipulated in the University College Statutes.

Roles and Functions of the Council

The Roles and functions of the Council are outlined in part V section 36 & 37 of the University Act, 2016, University College Statutes, Mwongozo Code of Governance and Council Charter. These enables the Council to discharge its mandate of provision of oversight. New members, once appointed, are given these documents to familiarise themselves with the powers and functions of the Council as outlined in the law. An induction training is also held for new Council members.

Meetings of the University Council

Dates for the University Council meetings in the ensuring year are decided in advance and scheduled in the Council Almanac. The Council and Committees hold their regular meetings on quarterly basis to transact planned business of the University College. Special meetings may however be called subject to meeting set criteria as per government circulars. The table below gives a summary of meetings held by the University Council and Committees:

| Committee | Members | Number of meetings held | Number of meetings attended |
|--|--|-------------------------|---|
| Council | <ol style="list-style-type: none"> 1. Dr. David Oginde 2. Dr. John Nyangena 3. Dr. Karen Kandie 4. Dr. Nyangáte Areba 5. Prof Judith Bahemuka 6. CS Clare Abuodha 7. Hon. George Muhoho 8. Dr. Kristina Pratt 9. Prof. Waceke Wanjohi 10. Prof. Zipporah Ngángá 11. Prof. James Kungú | 6 | <ol style="list-style-type: none"> 6 6 4 4 1 6 6 2 3 2 4 |
| Administration, Finance and Planning Committee | <ol style="list-style-type: none"> 1. CS Clare Abuodha - 2. Dr. John Nyangena 3. Dr. Karen Kandie 4. Hon. George Muhoho 5. Prof. Zipporah Ngángá 6. Prof. James Kungú | 4 | <ol style="list-style-type: none"> 4 3 3 2 1 3 |
| Audit, Risk and Compliance Committee | <ol style="list-style-type: none"> 1. Dr. Nyangáte Areba 2. Dr. John Nyangena 3 Dr. Karen Kandie 4. Dr. Kristina Pratt 5. CPA Susan Maina-<i>Secretary</i> | 4 | <ol style="list-style-type: none"> 4 4 3 1 4 |

| Committee | Members | Number of meetings held | Number of meetings attended |
|--|---|-------------------------|--------------------------------------|
| Human Resource Committee | 1. Prof Judith Bahemuka 2. Dr. Nyangáte Areba 3. Dr. John Nyangena 4. Dr. Karen Kandie 5. CS Clare Abuodha 6. Dr. Kristina Pratt 7. Prof. Zipporah Ngángá 8. Prof. James Kungú | 4 | 3 1 4 3 2 1 3 1 |
| Academic, Research and Student Affairs Committee | 1. Dr. Nyangáte Areba 2 Prof Judith Bahemuka 3. Dr. John Nyangena 4. Dr. Karen Kandie 5. Hon. George Muhoho 6. CS Clare Abuodha 7.Prof. Zipporah Ngángá 8. Prof. James Kungú | 4 | 3 1 4 2 3 1 2 2 |

Council Remuneration

The University College Non-Executive Council Members are paid a sitting allowance for every meeting attended. The members are also entitled to lunch allowance when attending virtual meetings, and mileage reimbursement where applicable using the set rates for state corporations they are not eligible for pension scheme membership. However, the Chairman of Council receives a monthly honoraria and telephone allowance, also at the rates approved for state corporations.

Conflict of Interest

The Council members are obligated to fully disclose to the Council any real or potential conflict of interest, which comes to any Council member's attention, whether direct or indirect. At any meeting the Council members are expected to make a declaration of any interest they may have in the business under discussion. In the financial year under review, there were no transactions with any of the Council members or their related parties.

Code of Conduct and Ethics

The University has a code of conduct and ethics policy that binds the Council members, management and employees to ensure that they uphold themselves with integrity and professionalism. When joining the University, every employee is provided with a copy of the code of conduct and ethics policy and must commit to abide by its requirements as part of the employment contract with the University.

9. Management Discussion and Analysis

During the year under review, the University College undertook the following key activities:

- i) Admission and Registration of first year students 28th August, 2023
- ii) Reporting of Continuing students 1st September, 2023
- iii) Matriculation of new students 1st September 2023
- iv) MNUC's 3rd Integrated Medical Camp, 14th October 2023
- v) SAMNUC Elections, 17th October 2023
- vi) Tree Planting at Kibii Primary School, 26th October 2023
- vii) SGC Induction Workshop (Nanyuki), 27th -29th October 2023
- viii) Interdenominational Prayer Day, 12th November 2023
- ix) International Men's Day, 19th November 2023
- x) Examination for 1st Semester 2023/2024 27th Nov- 8th December, 2023
- xi) Registration for 2nd Semester 2023/2024 8th January, 2024
- xii) School of Pure and Applied Sciences (SPAS) Hackathon, 2nd- 4th February 2024
- xiii) MNUC Mentorship Workshop in Partnership with MoE Sub County Office, 9th February 2024.
- xiv) Cultural Week, 28th February- 1st March 2024
- xv) International Women's Day, 8th March 2024
- xvi) Principal Handover/Inauguration Ceremony, 21st March 2024
- xvii) Examinations for 2nd Semester 1st -12th April, 2024
- xviii) Tree Planting at Theta Dam, 26th April 2024
- xix) Reporting of Nursing students for Clinical Rotations 29th April, 2024
- xx) International Day of the African Child (IDAC), 14th June 2024

Student Enrolment

The following is a summary of the enrolment into the various academic programmes from 2021/2022 to 2023/2024 academic years.

| Academic Year | Admitted Students |
|---------------|-------------------|
| 2021/2022 | 20 |
| 2022/2023 | 166 |
| 2023/2024 | 398 |
| Total | 584 |

The first cohort was admitted in 2021/2022 where 20 students commenced their studies in MNUC. The subsequent academic years saw an increased intake of 166 students in 2022/2023 and 389 in 2023/2024 as represented in the Fig.1 below.

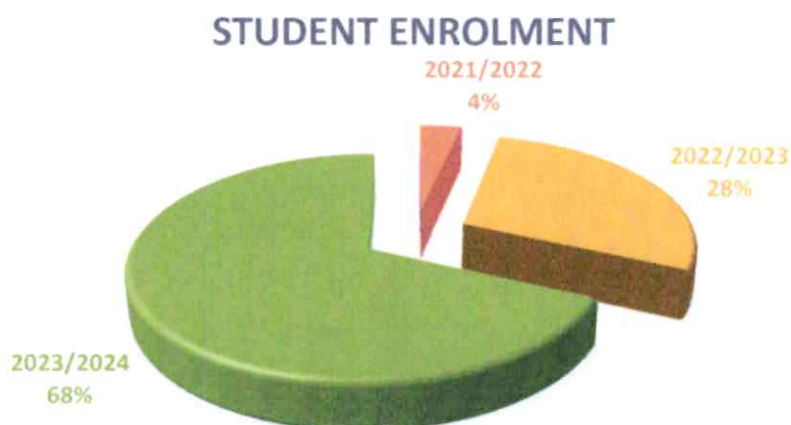


Fig. 1 student Enrolment

Revenue and Expenditure Trends

The table below gives a summary of the revenue and expenditure trends of the University College over the last three financial years.

| | 2021/2022 | 2022/2023 | 2023/2024 |
|---------------------------------|--------------------|--------------------|--------------------|
| Revenue | Ksh. | Ksh. | Ksh. |
| Gok Recurrent Grants | 60,266,789 | 145,234,113 | 171,135,339 |
| Appropriation in Aid | 916,450 | 8,797,532 | 86,375,708 |
| GoK Development Grants | 257,373,095 | 228,112,858 | 24,430,648 |
| Total Revenue | 318,556,334 | 382,144,503 | 281,941,695 |
| Expenditure | | | |
| Recurrent Expenditure | 21,446,763 | 146,239,520 | 240,798,419 |
| Development/Capital Expenditure | 8,604,130 | 457,918,620 | 88,500,855 |
| Total Expenditure | 30,050,893 | 604,158,140 | 329,299,274 |

Recurrent Grants have increased over time as well as Appropriation in Aid although a very slow growth which is as a result of low student population which is expected to increase as more infrastructures are developed. Development Grants have drastically reduced which may have a negative effect on growth of the University College since it requires key infrastructure to attract more students. This is as represented by Fig. 2 below.

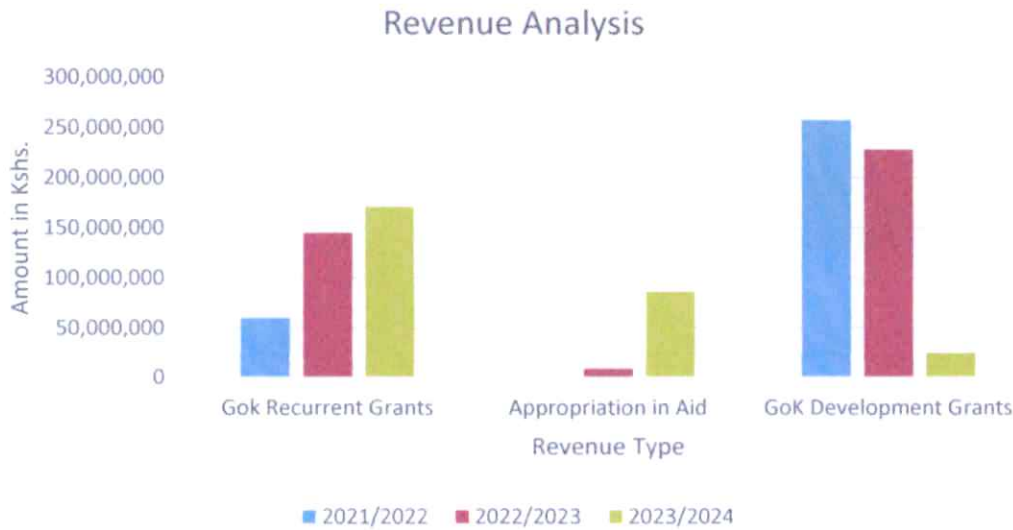


Fig. 2 Revenue Analysis

Recurrent Expenditures increases as more students are enrolled and also recruitment of additional manpower to support teaching and learning of the students. This is as represented by Fig. 3 below.

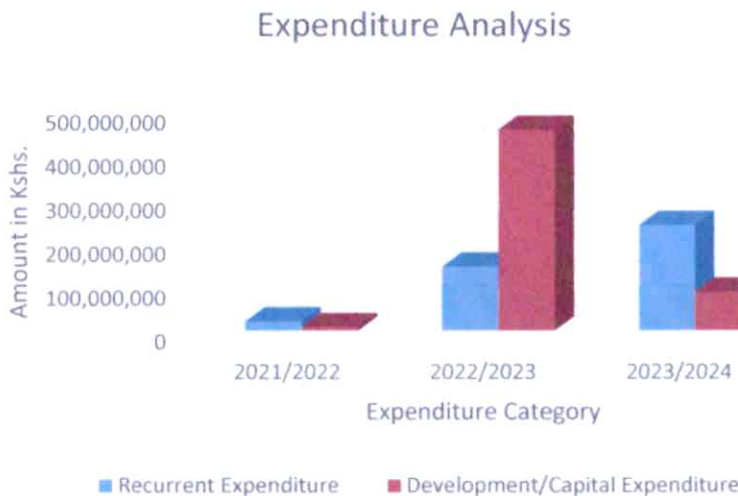


Fig. 3 Expenditure Analysis

Recurrent Income

The University College received Ksh. 171,135,339 in FY 2023/2024 as recurrent grants from the Government of Kenya compared to Ksh. 145,234,113 in FY 2022/2023. Additionally, the University College was able to collect Appropriation in Aid of Ksh.86,375,708 in FY 2023/2024 compared to Ksh.8,797,532 in FY 2022/2023 this increase is attributed to the New Funding Model introduced in FY 2023/2024 which categorized student scholarship as appropriation. Also increase in number of student from 166 in FY2022/2023 intake compared to 398 in FY2023/2024 intake making the total student population to 584 students.

Recurrent Expenditure

During the FY2023/2024 the University College incurred recurrent expenditure of Ksh.240, 798,419 compared to Ksh.146,239,520 in FY2022/2023. The increased expenditure is attributed to increase in student enrolment thus additional operation expenses supporting teaching and learning of the students. Additionally, the University College recruited additional 11 employees in FY2023/2024 to support the growing student population.

Development Income

The University College received Development Grants from GoK of Ksh.24,430,648 in the FY2023/2024. Of this amount, Ksh. 14,430,648 was balance for FY2022/2023. The allocation for FY2023/2024 was Ksh.40,000,000 thus Ksh. 30,000,000 is yet to be disbursed. These funds were in respect to construction of Tuition Block Phase 1.

Completed and ongoing Capital and Development Projects

The University College through the support of the Government has undertaken various Development projects as follows:

1. Administration Block
2. Lecture Theatre and External works
3. Tuition Block Phase 1
4. Ablution Block
5. Temporary Kitchen
6. Bus Shed
7. ERP System



Administration Block – Awaiting final Accounts & Retention Refund



Tuition Block Phase 1 - ongoing

University College Compliance with statutory Requirements

The University College conduct her affairs within the legal framework provided by the Universities Act 2012, Public Finance Management Act 2012, Public Procurement and Asset Disposal Act, 2015, University College Statutes, Other Legal provisions and Government Circulars issued from time to time.

During the year in review, the University College complied with all statutory obligations and remittance of; taxes, HELB deductions, NSSF, NHIF, Sacco deductions, Pension deductions among others.

Major Risks facing the University College

The University has identified the following Key Risks;

- a) **Liquidity risk** –The University College has risk on inability to meet its financial obligations when they fall due, this is due to the low amount of capitation from the government.
- b) **Operation risk** –The inability of the University College to grow due to the pending compensation of the land owners for the University College expansion.
- c) **Commercial Risk**-the University College has experienced a low number of students enrolment from the government and also self-sponsored students.
- d) **Infrastructural risk** –the University College does not have adequate facilities due to lack of enough funds to develop the required infrastructures and lack of land for expansion.

Material arrears in statutory/financial obligations

The University College has no material arrears in statutory/financial obligation for the Financial Year 2023/2024, however reported in the Financial Statements are payables amounting to Ksh. 9,688,488. Additionally, the University College Ksh. 4,646,414 in respect of Project Retention Funds. The University College will endeavour to honour its financial obligations as they fall due to avoid any litigation. This is however dependent upon timely disbursement of funds by GoK in respect of both recurrent and development grants.

10. Environmental and Sustainability Reporting

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

i) Sustainability Strategy and Profile

Mama Ngina University College sustainability strategy is anchored in its 2022-2027 Strategic Plan and internal policies. Our approach is designed to address emerging issues and evolving stakeholder needs, ensuring that we remain adaptable and responsive. Central to our strategy is financial sustainability, which we aim to achieve through prudent resource management, diversifying revenue streams, and developing market-driven programmes. For the year under review, our current assets totalled to Ksh.56,337,830, while our current liabilities were Ksh.18,059,812, resulting in a positive working capital of Ksh.38,278,018. This financial position demonstrates the ability of the University College to meet its financial obligations as they fall due, thereby sustaining its services.

In line with the government initiative to promote accessibility to technical training, the University College is in discussion with TVETA for consideration to host technical programmes. This initiative aims to address the demand for technical training and increase student enrolment. Additionally, we have launched Master's degree programmes to diversify our revenue streams and reduce dependency on government funding. By continuously refining our processes and systems, the University College Management is committed to maintaining operational sustainability and meeting stakeholder needs effectively.

ii) Environmental performance

Every person in Kenya is entitled to a clean and healthy environment and has a duty to safeguard and enhance the environment. The University College is keen to obtain all relevant documentation from the National Environmental Management Authority. This is because we are keen on the impact our activities have to the society and environment at large. In addition, the University College is keen to adopt strategies to reduce paper use by transitioning fully to Enterprise Resource Planning (ERP). The University College has also developed a Health Care Waste Management Policy which is fully approved and in use.

iii) Employee welfare

Mama Ngina University College has developed human resource instruments that guides on recruitment of staff. These instruments include human resource policy and procedure manual (developed in 2022 and currently under review as per the Public Service Commission guidelines), staff establishment among others. The University College is keen on implementing national values as guided by article 10 of the constitution in recruitment and promotion of staff.

Further to this, MNUC appreciates the critical role its staff plays in realizing strategic goals and mandate through various means. As such, the University is keen on promoting work-life balance to ensure the holistic well-being of its staff by implementing relevant programs. Additionally, the University College has been outsourcing staff medical insurance from reputable service providers.

The University College has focused on attracting and retaining critical manpower. This is through emphasis on continuous training of staff with a view of increasing competencies and productivity. This is normally done through trainings and other relevant forums such as seminars, workshops and conferences. The Institution has developed performance management tools administered to evaluate staff performance. Reward and sanction and OSHA policies are in place.

iv) Marketplace practices

MNUC endeavours to comply with legal framework, rules and regulation in dealing with stakeholders during execution of its mandate.

MNUC ensures it maintains good market practices by:

- Making clear its Mission to its stakeholders
- Leverage Technology for efficiency and effectiveness in delivery of services
- Consistently adapting to business models that meet our customers' needs
- Maintaining a clear feedback system

a) Responsible competition practice.

MNUC ensures there is healthy competition to allow quality services provision. The demand for the available business opportunities have arisen resulting in fierce competition. The University College has remained impartial by allowing all players to compete without interference. The bidders are communicated their performance scorecard in an open way.

b) Responsible Supply chain and supplier relations

All the procurement at the University College are carried in accordance with the Public Procurement and Disposal Act 2015 and relevant laws. All tenders are carried out in a transparent manner where bidders are invited to bid and participate in bid opening. The procurement process is posted in the Public Procurement Information Portal which is accessible to all stakeholders. The suppliers and contractors are paid on time within the 30-day period. The suppliers are usually invited for a stakeholder engagement and all contracts are honoured. The University College operates within its budget and aligns the expenditure with the available budget.

c) Responsible marketing and advertisement

During the 2023-2024 FY, MNUC through the Corporate Affairs/ Public Relations office has ensured it maintained ethical marketing practices by constantly and consistently prioritising and showcasing transparency, honesty and respect towards all its MNUC stakeholders.

This has been done through:

- Ensuring messages put out by the University College across all platforms is a true and accurate reflection of MNUC's products and services at all times.
- Promoting diversity in marketing and advertising activities by showcasing the diversity at MNUC that cuts across cultures and religions. This has helped and will continue to help MNUC reach a broader audience.
- Note sharing any personalised information/ data. If information is to be shared, it is not done without pre-approval/ fulfilment of necessary requirements from enquiring parties.

d) Product stewardship

The University College has ensured that consumer rights and interests are safeguarded through the following ways:

- Responsible Business Conduct
- Enforcement of effective compliance to existing teaching requirements
- Training of student leaders
- Membership and Participation in the Kenya Universities Sports Association (KUSA)

v) Corporate Social Responsibility / Community Engagements

In the 2023-2024 FY, MNUC conducted numerous activities geared towards environmental conservation, community engagement/ outreach as well as Corporate Social Responsibility (CSR). These are:

a) Kibii primary school

On Thursday 26th October 2023, MNUC staff and students assembled at Kibii Primary School, located along Kenyatta Road, to conduct its second tree planting activity of the year. MNUC planted a total of 1,103 seedlings consisting of 103 fruit trees (mangoes, guavas, loquats and avocado) purchase by the University College and 1,000 tree seedlings of different species (Markhamia lutea, Croton megalocarpus, Syzygium guineense, Bridelia micrantha and Ekebergia capensis) donated by Equity Bank (Gatundu Branch), through their Manager Mr. John Mbugua, who have been key supporters and contributors towards our conservation efforts.



b) Theta dam (Kinale Dam) Tree planting

On Friday 26th April 2024, MNUC staff, students and partners had a tree planting day at Theta dam located in Kinale forest, Kiganjo Ward, Gatundu South. Participants had 3,000 seedlings of indigenous trees to plant, donated once again by Equity Bank Gatundu Branch through their Manager, Mr. John Mbugua. The tree varieties included; Mukoe, Bamboo, Mukuyu, Muiiri, Mutundu, Mutatii, Mugumo, Mukuria Hungu. The tree planting site was donated by Gatundu Water & Sanitation Company (GWSC) who allowed access to Theta Dam, one of their catchment areas.



c) PCEA Christmas Extravaganza

In the 2023-2024 FY, MNUC conducted two CSR activities one of which is the Kibii Primary School tree planting activity reflected above that also doubled as an environmental conservation effort. The second was a Christmas Extravaganza at PCEA Thiririka Parish.

The event attracted youth from eight local churches and from the surrounding localities. Before commencement of the day's presentations, MNUC representatives from the Admissions/Academic Division began by conducting career talks targeting all categories of students present. Subsequently, twenty-five (25) gift packs donated by MNUC were awarded to winners across various categories by the former Parish Minister, Rev. Jackson Kimemia. Each gift pack contained an MNUC branded t-shirt and a branded cap.



d) Medical camp

Mama Ngina conducted its third (3rd) integrated medical camp in collaboration with Aga Khan University Hospital Nairobi (AKHUN), Mater Misericordiae hospital and Equity Afia in which three hundred and fifty community members were served. Various services which include the Triage, optical, breast and cervical cancer screening, HIV counselling and screening, dental,

physiotherapy and prostate cancer screening. The event was sponsored by MNUC, Family bank and Equity Bank.



e) Mama Ngina University College school mentorship programme.

In collaboration with the Ministry of Education (MOE) Gatundu Sub County, Mama Ngina has been running a mentorship programme in six (6) secondary schools and six (6) primary schools.

The following activities were conducted in the 2023/2024 academic year.

- i) Weekly Computer literacy classes for Mutomo Junior secondary school conducted in the University computer labs by the computer science Club members.
- ii) Training of School lead mentors and other teachers supporting the MNUC School mentorship programme.
- iii) Training of mentor champions- students to take the role of peer mentors.
- iv) Group mentorship activities for student and pupils
- v) Group mentorship activities for teachers from the partner schools.



f) Educational events participation

MNUC has been recognized on various occasions to be part of various community events. The University has therefore provided mentorship, talks and keynote speeches in various community and national events. MNUC was Part of Muhoho high school Form one student and parent induction providing mentorship and keynote speech during the event.

The University was honoured again to present a keynote speech at Muhoho Secondary School Education Day for Class 2023. The purpose of the event was to celebrate the excellent performance of 2023 results and pray for the 2024 candidates.



g) Child rights initiatives

i). Child safeguarding in schools

Opportunity to engage in National child protection events was provided to MNUC by the Kenya Conference of Catholic Bishops in April 2024. The Head Student Affairs and Outreach- Josephine Nkangi represented MNUC during the Catholic Private Education Institutions' Association Conference on the topic *“safeguarding in Catholic Schools: Creating Healthy and Safe Spaces for Children and The School Community to Coexist and thrive.”*

ii). Day of the African Child 2024

MNUC is aware of the importance of promotion of child rights, by international events marking child rights. On June 14th in collaboration with the Ministry of Education, Department of Children Services Equity Bank, Family Bank MNUC planned and celebrated the day of the African Child 2024. The event whose theme was *Educating every child in Africa; the time is now*, was attended by five hundred participants who included eleven schools and two child rights organisations. The event involved educational activities, mentorship of both students and teachers, entertainment and speeches.



Guest, teachers and MNUC Management and staff on the Day of the African Child 2024

h) Cultural week

Mama Ngina University College held her first cultural week in February 2024. All performances, exhibition and the Ms. and Mr. University event saw the MNUC Community actively participate. There was a cultural competition for the University College students and also the local schools

were invited. The event served as an avenue to experience the diversity of cultures represented at MNUC and the local community promoting National Unity.



The Rift Valley Community slaughters a goat during the MNUC Cultural week

i) Mama Ngina University College school health programme

On 18th June 2024 the faculty from the MNUC School of Health Sciences in partnership with Gatundu Level 5 Hospital Public Health Department visited Mutomo Primary School where there was a scheduled School Health activity for all the learners in the school. The School Health program included provision of services to the different cohorts in the school; Early Childhood Development (ECD)/Primary and Junior Secondary School (JSS) based on their needs. Thereafter all the pupils were dewormed and the girls in the JSS class were given some sanitary towels while the boys received toothpaste and toothbrushes.



School of Health Sciences staff engaging children during the MNUC school health programme event



11. Report of the University College Council

The Council submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Mama Ngina University's affairs.

i) Principal activities

The principal activity of the University is to provide transformative teaching, research and community engagement for effective community service which is summarised in the strategic objectives below:

- To be a student-centred university that produces innovative, scientifically grounded, ethical and holistic graduates.
- To offer quality and relevant academic programmes that are designed to help students develop hands-on skills necessary for job creation and employment.
- To be a university that is driven by research that promotes technological advances, collaboration, and entrepreneurship for economic growth and solving real-life problems.
- To be a university that's deeply networked to the community, making its knowledge resources freely available, and engages actively for a better world.

ii) Results

The results of the University College for the year ended June 30, 2024, are set out on page 1-6

iii) Council

The members of the University College Council who served during the year are shown on page xiii to xix during the year there was an appointed of a new Chairperson of Council effective June 2024.

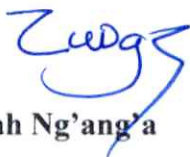
iv) Surplus remission

Mama Ngina University College is not a Regulatory Authority and is therefore exempted from the remission of surplus funds as per Section 219(2) of the Public Finance Management Act Regulations.

v) Auditors

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

By Order of the Council



Prof. Zipporah Ng'ang'a
University Council Secretary

12. Statement of University Council Responsibilities

Section 81 of the Public Finance Management Act, 2012 and The Universities Act No. 42 of 2012 requires the Mama Ngina University College Council to prepare financial statements in respect of the University College which give a true and fair view of the state of affairs of the University College as at the end of the financial year and the operating results of the University College for that year. The Council is also required to ensure that the University College keeps proper accounting records which disclose with reasonable accuracy the financial position of the University College. The Council is also responsible for safeguarding the assets of the University College.

The Council is responsible for the preparation and presentation of the University College's financial statements, which give a true and fair view of the state of affairs of the University College for and as at the end of the financial year ended on June 30, 2024.

This responsibility includes:

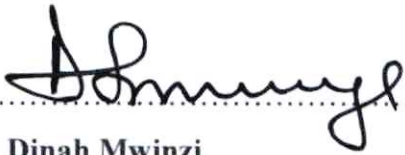
- i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period
- ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Entity
- iii) Designing, implementing 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 University College
- v) Selecting and applying appropriate accounting policies
- vi) Making accounting estimates that are reasonable in the circumstances.

The Council accepts responsibility for the Mama Ngina University College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act, 2012 and the State Corporations Act CAP 446. The Council is of the opinion that the University College's financial statements give a true and fair view of the state of University College's transactions during the financial year ended June 30, 2024, and of the University College's financial position as at that date. The Council further confirms the completeness of the accounting records maintained for the University College, which have been relied upon in the preparation of the University College's financial statements as well as the adequacy of the systems of internal financial control.

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

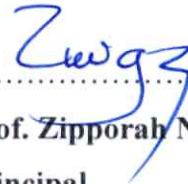
Approval of the financial statements

The Mama Ngina University College financial statements were approved by the Council on 10th July 2024 and signed on its behalf by:



.....
Dr. Dinah Mwinzi

Chairperson of the Council

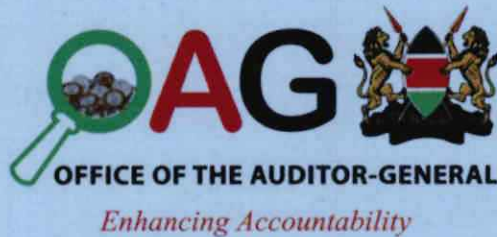


.....
Prof. Zipporah Ng'ang'a

Principal

REPUBLIC OF KENYA

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



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MAMA NGINA UNIVERSITY COLLEGE 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 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 the 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 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 Mama Ngina University College set out on pages 1 to 44, 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 the Mama Ngina University College 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 Public Finance Management Act, 2012, Universities Act, 2012 and the Mama Ngina University College Order, 2021.

Basis for Opinion

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Mama Ngina University College 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. There were no key audit matters to report in the year under review.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects employee costs final expenditure budget and actual on comparable basis of Kshs.148,035,340 and Kshs.169,216,015 respectively, resulting to an over expenditure of Kshs.21,180,675 or 14% of the budget. Approval for the over expenditure was not provided.

The over-expenditure affected the implementation of planned activities and programs and may have impacted negatively on service delivery to the stakeholders.

My opinion is not modified in respect of this matter.

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of 2022/2023 financial year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues or given any explanation for failure to resolve them.

Other Information

The Management is responsible for the other information set out on page iv to liii which comprise of Key Entity Information and Management, The University Council, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the University College Council and Statement of the University Council Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Mama Ngina University College 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 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, 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 thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE 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. Irregular Appointment of Staff on Acting Capacity

The University College's Management appointed two (2) officers to serve in various acting positions during the year under review who had been acting for more than six (6) months.

No explanation was provided in support of the long-acting duration which is contrary to Section 34(3) of the Public Service Commission Act, 2017 which requires that an officer may be appointed in an acting capacity for a period of at least thirty days but not exceeding a period of six months.

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

2. Non-Compliance with Minimum Requirement on Employee Ethnic Balance

Review of employee records for the University revealed that the dominant ethnic community employed by the University constitutes over 70% which is seventy-two (72) out of the total population of one hundred and three (103) employees. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

As a result, Management was in breach of the law.

3. Non-Compliance with Fiscal Responsibility Principles

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects an amount of Kshs.169,215,915 in respect of employee costs. This expenditure amounts to 66% of the total revenue amount of Kshs.257,511,047 received in the year under review. This is contrary to Regulation 26(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which provides for a maximum expenditure on compensation of employees of 35% of the Organizations total revenue.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and the University Council

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

In preparing the financial statements, Management is responsible for assessing the University College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 College'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 for 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.

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

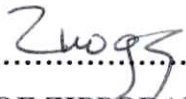
27 December, 2024

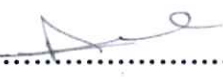
Mama Ngina University College
Annual Report and Financial Statements
for the year ended June 30, 2024.

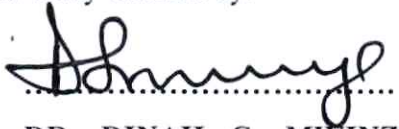
14. Statement of Financial Performance for the year ended 30 June 2024

| | Notes | 2023/2024 | 2022/2023 |
|---|-------|--------------------|--------------------|
| | | FY | FY |
| | | Kshs | Kshs |
| Revenue from non-exchange transactions | | | |
| Transfers from other governments entities | 6 | 171,135,339 | 145,234,113 |
| Public contributions and donations | 7 | 85,000 | 33,000 |
| | | 171,220,339 | 145,267,113 |
| Revenue from exchange transactions | | | |
| Rendering of services | 8 | 85,082,865 | 8,479,280 |
| Rental revenue from facilities and equipment | 9 | 282,675 | 120,000 |
| Other income | 10 | 925,168 | 165,252 |
| Total revenue | | 257,511,047 | 154,031,645 |
| Expenses | | | |
| Use of goods and services | 11(a) | 45,536,060 | 29,133,476 |
| Provision for legal services | 11(b) | 2,670,000 | - |
| Provision for Audit fees | 11(b) | 464,000 | - |
| Employee costs | 12 | 169,215,915 | 95,257,858 |
| Board Expenses | 13 | 6,558,930 | 5,991,384 |
| Depreciation and amortization expense | 14 | 11,884,909 | 7,230,364 |
| Repairs and maintenance | 15 | 4,358,605 | 5,926,438 |
| Contracted services | 16 | 110,000 | 2,700,000 |
| Total expenses | | 240,798,419 | 146,239,520 |
| Other gains/(losses) | | | |
| Surplus/(deficit) for the period/year | | 16,712,628 | 7,792,125 |

The notes set out on pages 7 to 47 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the University Council by:


.....
PROF. ZIPPORAH
NG'ANG'A
PRINCIPAL


.....
CPA PETER KAMURI
HEAD OF FINANCE


.....
DR. DINAH C. MWINZI
PH.D, CBS
CHAIRPERSON OF
COUNCIL

Date... 17-12-2024

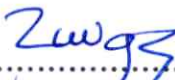
ICPAK M/No: 29973
Date... 17/12/2024

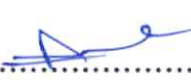
Date... 17/12/2024

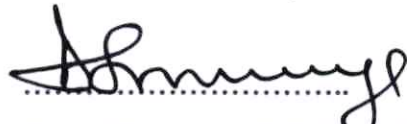
15. Statement of Financial Position as at 30 June 2024

| | Notes | 2023/2024 | 2022/2023 |
|--|-------|--------------------|--------------------|
| | | FY | FY |
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash and Cash equivalents | 17 | 32,682,136 | 76,985,260 |
| Receivables from Exchange Transactions | 18(a) | 4,319,048 | 470,100 |
| Receivables from Non-Exchange Transactions | 19 | 16,406,824 | 935,302 |
| Prepayments | 20 | - | 3,015,405 |
| Inventories | 21 | 2,929,822 | 1,447,326 |
| Total Current Assets | | 56,337,830 | 82,853,393 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 22 | 675,839,813 | 599,223,867 |
| Total Non- Current Assets | | 675,839,813 | 599,223,867 |
| Total Assets (A) | | 732,177,643 | 682,077,260 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 23 | 9,688,488 | 8,104,554 |
| Refundable Deposits from Customers | 24 | 8,371,324 | 998,151 |
| Total Current Liabilities | | 18,059,812 | 9,102,705 |
| Non-Current Liabilities | | - | - |
| Total Non- Current Liabilities | | - | - |
| Total Liabilities (B) | | 18,059,812 | 9,102,705 |
| Net Assets (A-B) | | 714,117,831 | 672,974,555 |
| Represented by: | | | |
| Revaluation Reserves | 29 | 139,960,000 | 139,960,000 |
| Accumulated Surplus | 28 | 64,241,230 | 47,528,602 |
| Capital Fund | 30 | 509,916,601 | 485,485,953 |
| Net Assets | | 714,117,831 | 672,974,555 |

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


.....
**PROF. ZIPPORAH
NG'ANG'A**
PRINCIPAL


.....
CPA PETER KAMURI
HEAD OF FINANCE


.....
DR. DINAH C. MWINZI PH.D, CBS
CHAIRPERSON OF COUNCIL

Date... 17-12-2024

ICPAK M/No: 29973
Date... 17/12/2024

Date... 17/12/2024

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

| Description | Revaluation reserve | Retained earnings | Capital/ Development Grants/Fund | Total |
|--|---------------------|-------------------|----------------------------------|--------------------|
| | Kshs | Kshs | Kshs | Kshs |
| As at July 1st, 2022 | - | 39,736,476 | 228,112,858 | 267,849,334 |
| Revaluation gain | 139,960,000 | - | - | 139,960,000 |
| Surplus/ deficit for the year | - | 7,792,125 | - | 7,792,125 |
| Capital/development grants received during the year | - | - | 257,373,095 | 257,373,095 |
| As at 30th June 2023 | 139,960,000 | 47,528,602 | 485,485,953 | 672,974,555 |
| As at July 1st, 2023 | 139,960,000 | 47,528,602 | 485,485,953 | 672,974,555 |
| Revaluation gain | - | - | - | - |
| Surplus/ (deficit) for the year | - | 16,712,628 | - | 16,712,628 |
| Capital/development grants received during the year | - | - | 24,430,648 | 24,430,648 |
| Transfer of depreciation/amortisation from capital fund to retained earnings | - | - | - | - |
| As at 30th June 2024 | 139,960,000 | 64,241,230 | 509,916,601 | 714,117,831 |

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

| | Notes | 2023/2024 | 2022/2023 |
|---|-------|---------------------|----------------------|
| | | FY FY | FY FY |
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from other governments entities | 6 | 171,135,339 | 145,234,113 |
| Public contributions and donations | 7 | 85,000 | 33,000 |
| Rendering of services | 8 | 85,082,865 | 8,479,280 |
| Rental revenue from facilities and equipment | 9 | 282,675 | 120,000 |
| Other income | 10 | 925,168 | 165,252 |
| Net capital working changes | 26(a) | - | 167,973,460 |
| Total receipts | | 257,511,047 | 322,005,105 |
| Payments | | | |
| Use of goods and services | 11(c) | 56,018,018 | 29,133,476 |
| Employee costs | 12 | 169,215,915 | 95,257,858 |
| Board Expenses | 13 | 6,558,930 | 5,991,384 |
| Repairs and maintenance | 15 | 4,358,605 | 5,926,438 |
| Contracted services | 16 | 110,000 | 2,700,000 |
| Purchase of Inventory | 26 | 1,482,496 | 1,129,146 |
| Net working capital changes | 26(a) | - | - |
| Total payments | | 237,743,964 | 140,138,302 |
| Net cash flows from/(used in) operating activities | 26(b) | 19,767,083 | 181,866,803 |
| Cash flows from investing activities | | | |
| Purchase of PPE and Intangible assets | 27 | (88,500,855) | (457,918,620) |
| Proceeds from sale of PPE | | - | |
| Purchase of investments | | - | |
| Sale of investments | | - | |
| Net cash flows from/(used in) investing activities | | (88,500,855) | (457,918,620) |
| Cash flows from financing activities | | | |
| Government Capital Grants | 6 | 24,430,648 | 257,373,095 |
| Net cash flows from financing Activities | | 24,430,648 | 257,373,095 |
| Net increase/(decrease) in cash & Cash equivalents | | (44,303,124) | (18,678,722) |
| Cash and cash equivalents at 1 July 2023 | 34 | 76,985,260 | 95,663,982 |
| Cash and cash equivalents at 30 June 2024 | 17 | 32,682,136 | 76,985,260 |

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

| | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilization |
|--|--------------------|-------------------|--------------------|----------------------------|------------------------|------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| | a | b | C=(a+b) | d | e=(c-d) | f=d/c*100 |
| Revenue | | | | | | |
| Transfers from Other Governments entities | 171,135,340 | - | 171,135,340 | 171,135,339 | 1 | 100 |
| Rendering of Services | 35,000,000 | 45,000,000 | 80,000,000 | 85,082,865 | -5,082,865 | 106 |
| Other income, rentals, and agency fees | 5,000,000 | - | 5,000,000 | 1,292,843 | 3,707,157 | 26 |
| Total Income | 211,135,340 | 45,000,000 | 256,135,340 | 257,511,047 | -1,375,707 | 101 |
| Expenses | | | | | | |
| Use of Goods and Services | 41,200,000 | 29,500,000 | 70,700,000 | 57,884,869 | 12,815,840 | 82 |
| Employee costs | 138,535,340 | 9,500,000 | 148,035,340 | 169,216,015 | -21,180,675 | 114 |
| Remuneration of Council | 3,500,000 | 3,000,000 | 6,500,000 | 6,558,930 | -58,930 | 101 |
| Repairs and Maintenance | 3,500,000 | 3,000,000 | 6,500,000 | 4,358,605 | 2,141,395 | 67 |
| Contracted Services | 3,000,000 | - | 3,000,000 | 2,780,000 | 220,000 | 93 |
| Total Expenditure | 189,735,340 | 45,000,000 | 234,735,340 | 240,798,419 | -6,062,370 | 103 |
| Surplus for the period | | | | 16,712,628 | | |
| Capital Expenditure | | | | | | |
| Motor Vehicles | 5,900,000 | - | 5,900,000 | 5,296,350 | 603,650 | 90 |
| Purchase of ERP | 6,000,000 | - | 6,000,000 | 5,373,656 | 626,344 | 90 |
| Furniture & Equipment | 5,000,000 | - | 5,000,000 | 4,829,112 | 170,888 | 97 |
| Computers and Accessories | 4,500,000 | - | 4,500,000 | 4,270,736 | 229,264 | 95 |
| Total Expenditure | 21,400,000 | - | 21,400,000 | 19,769,854 | 1,630,146 | 92 |
| Development Expenditure | | | | | | |
| Administration Block, Lecture Theatre and External Works | 40,000,000 | 86,374,997 | 126,374,997 | 68,731,001 | 57,643,996 | 54 |
| Total Expenditure | 40,000,000 | 86,374,997 | 126,374,997 | 68,731,001 | 57,643,996 | 54 |
| Total Development & Capital Expenditure | 61,400,000 | 86,374,997 | 147,774,997 | 88,500,855 | 59,274,142 | 60 |

get notes

1. Under collection on other incomes was due to few income generating activities due to lack of adequate infrastructure. This can also be attributed to low development grants from the Government considering MNUC is a young University College and the student enrolment is still low due to limited space.
2. Underutilization in use of goods and services and repair and maintenance was attributed to slow operation expenditure due to government directive to institute austerity measures as well as delayed monthly recurrent grants from the government.
3. The difference in original and final Budget was as a result of supplementary Budget approval to incorporate the new funding model funds for the 1st year students.
4. The adjustment of the Development Expenditure relates to Development funds in respect to Administration Block, Lecture Theatre and External Works project for previous years up to FY 2022/2023. In the FY 2023/2024 the University College received Ksh. 10,000,000 against the budgeted Development Grants of Ksh. 40,000,000.
5. Administration Block, Lecture Theatre and External Works budget vote covers Tuition Block Phase 1, Bus shed, Administration Block and Lecture theatre and External works as analyzed in Note 22 under Work In Progress.

19. Notes to the Financial Statements

1. General Information

The University College is established by and derives its authority and accountability from the University Act 2012. The University College is wholly owned by the Government of Kenya and is domiciled in Kenya. The University College's principal activity is to provide quality and relevant Education, Training, Research and Outreach

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the University College. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 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 flow of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The standard has no material effect on the current financial statements of the University College but will evaluate the effects and adopt as per the requirements in 2025 Financial Statements.</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> <p>This standard is currently not applicable however the University College will evaluate the effect of such assets in future and adopt as per the standards requirement.</p> |

| Standard | Effective date and impact: |
|--|---|
| 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 IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an 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>The University College will evaluate the impact of this standard for adoption and comply accordingly in 2025 Financial Statements</p> |
| IPSAS 46 Measurement | <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>The University College will evaluate the impact of this standard for adoption and comply accordingly in 2025 Financial Statements</p> |
| IPSAS 47- Revenue | <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</p> |

Mama Ngina University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

| Standard | Effective date and impact: |
|---|---|
| | <p>about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The University College will evaluate the impact of this standard for adoption and comply accordingly in 2025 Financial Statements</p> |
| <p>IPSAS 48- Transfer Expenses</p> | <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> <p>This standard is currently not applicable to the University College.</p> |
| <p>IPSAS 49- Retirement Benefit Plans</p> | <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> <p>The University College will evaluate the impact of this standard for adoption and comply accordingly in 2025 Financial Statements</p> |

iii. Early adoption of standards

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

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The University College recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the University College and the fair value of the asset can be measured reliably.

Transfers from other government entities

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

During the financial year under review the University College received Recurrent Grants from State Department of University Education and Research, Ministry of Education Ksh. 171,135,339 and Ksh. 10,000,000 Development Grant.

ii) Revenue from exchange transactions

Rendering of services

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sale of goods

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

Rental income

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

b) Budget information

The original budget for the FY 2023/2024 was approved by the National Assembly on 4th July 2023. 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 College upon receiving the respective approvals in order to conclude the final budget. Accordingly, the University College recorded additional appropriations of Ksh. 45,000,000 on the 2023 budget following the governing body's approval.

The University College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 18 of these financial statements.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Property, plant and equipment

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

Depreciation is calculated on a straight-line basis at annual rates estimated to write off the carrying values of the assets over their expected useful lives.

The annual depreciation rates in use are:

| | | |
|-------------------------|---|-------|
| Furniture and Equipment | - | 10% |
| Motor Vehicles | - | 25% |
| Buildings | - | 2.5% |
| Computers | - | 33.3% |

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the University College. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The University College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the University College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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

e) 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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

f) Research and development costs

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

h) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

Raw materials: purchase cost using the weighted average cost method.

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Provisions

Provisions are recognized when the University College 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 College expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

j) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

k) Contingent liabilities

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

l) Contingent assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

The University College creates and maintains reserves in terms of specific requirements. University College maintains Revaluation Reserve in respect of valuation of assets, Revenue Reserve in respect of accumulated surplus and Capital Fund which represent Development funds received by the University College.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The University College provides a Defined contribution plans for its permanent employees. Defined contribution plans are post-employment benefit plans under which the University College pays fixed contributions into a separate Entity (ICEA LION) 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. The University College contributed Ksh. 9,674,620 during the year under review to ICEA LION in respect employee's pension.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

Summary of Significant Accounting Policies (Continued)

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

The University College regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the entity, or vice versa. The National Government, Council Members and Members of Management Board are regarded as related parties.

s) Service concession arrangements

The University College analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the University College recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the University College also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents include cash on hand and cash at bank at the end of the financial year.

u) Comparative figures

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

v) 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 University College'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 University College did not make any key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the University College.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material

Notes to the Financial Statements (Continued)

6. Transfers from Other Government entities

| Description | 2023/2024 FY | 2022/2023 FY |
|--|--------------------|--------------------|
| | KShs | KShs |
| Unconditional Grants | | |
| Operational Grant | 171,135,339 | 145,234,113 |
| Development grants | 24,430,648 | 25,000,000 |
| Other Grants | - | - |
| Total Unconditional Grants | 195,565,987 | 170,234,113 |
| Total Government Grants And Subsidies | 195,565,987 | 170,234,113 |

Operational Grant relates to GoK Grants for recurrent expenditures while Development Grants relate to GoK Grants for development project.

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 deferred income. | Amount recognised in capital fund. | Total transfers (2023/2024 FY) | 2022/2023 FY |
|---|--|--|---|---|--------------------|
| | KShs | KShs | KShs | KShs | KShs |
| Ministry of Education | 171,135,339 | - | 24,430,648 | 195,565,987 | 170,234,113 |
| Total | 171,135,339 | - | 24,430,648 | 195,565,987 | 170,234,113 |

Notes to the Financial Statements (Continued)

7. Public Contributions and Donations

| Description | 2023/2024 FY | 2022/2023 FY |
|--|-----------------|-----------------|
| | Kshs | Kshs |
| Family Bank -Medical Camp | 50,000 | 5,000 |
| Co-operative Bank -Cultural Week celebrations | 5,000 | - |
| Family Bank -Cultural Week celebrations | 20,000 | - |
| Kiambu Unity Sacco- Medical camp | - | 10,000 |
| National Bank of Kenya- Medical camp | - | 8,000 |
| APA insurance- Medical camp | - | 10,000 |
| Family Bank -International Day for African Child | 10,000 | - |
| Total Transfers and Sponsorships | 85,000 | 33,000 |

The different institutions donated funds to facilitate different event organised by the University College during the year under review as analysed above.

8. Rendering of Services

| Description | 2023/2024 FY | 2022/2023 FY |
|---|-------------------|------------------|
| | KShs | KShs |
| Tuition Fees & Other Fees(KUCCPS) | 82,609,365 | 6,353,280 |
| Tuition Fees & Other Fees (SSP) | 2,367,500 | 2,008,200 |
| Tuition Fees (Computer Packages) | 106,000 | 117,800 |
| Total Revenue from The Rendering Of Services | 85,082,865 | 8,479,280 |

This relates to fees collected from students for their tuition and other administrative charges

Notes to the Financial Statements (Continued)

9. Rental Revenue from Facilities and Equipment

| Description | 2023/2024 | 2022/2023 |
|----------------------|----------------|----------------|
| | FY | FY |
| | Kshs | Kshs |
| Rental Income | 282,675 | 120,000 |
| Total Rentals | 282,675 | 120,000 |

Rental Income relates to hiring of catering space for the provision of meals of the students and staff in the University College.

10. Other Income

| Description | 2023/2024 | 2022/2023 |
|----------------------------------|----------------|----------------|
| | FY | FY |
| | Kshs | Kshs |
| Surcharge & Fines | - | 9,874 |
| Sale of application Forms | 46,000 | 17,000 |
| Sale of Marketing Merchandise | 73,497 | 137,636 |
| Service Charge | 70,000 | - |
| Library Fines and ID Replacement | 20,753 | 742 |
| Sale of Water | 103,200 | - |
| KIEPS/SKIES Income | 611,718 | - |
| Total Other income | 925,168 | 165,252 |

11. Operating Expenses

a) Use of goods and services

| Description | 2023/2024 | 2022/2023 |
|-------------------------------|-----------|-----------|
| | FY | FY |
| | KShs | KShs |
| Stationery | 1,575,448 | 1,170,622 |
| Staff Uniforms | 298,168 | 205,412 |
| Land Rent, Rates & Stamp Duty | 229,881 | 181,656 |
| Publishing & Printing | 157,105 | 96,738 |
| Cleaning Materials | 613,544 | 485,974 |
| Office Tea Expenses | 450,145 | 314,304 |
| Office Consumables | 788,711 | 510,396 |
| General office equipment | 3,697,672 | 2,268,897 |
| Teaching Materials | 2,529,063 | 1,173,302 |
| Cutlery & Crockery | 164,030 | 129,763 |
| Travelling and Accommodation | 3,099,977 | 3,239,561 |
| Examination Stationery | 845,172 | - |

Mama Ngina University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

| | | |
|--|-------------------|-------------------|
| Advertising & Marketing | 648,186 | 1,087,313 |
| Newspapers & Publications | 134,400 | 157,980 |
| Medical Drugs & Supplies | 136,199 | 274,440 |
| Telephone Postage | 331,886 | 278,079 |
| Electricity Expenses | 4,077,314 | 1,377,887 |
| Student Activities | 1,046,218 | 137,430 |
| Community Outreach | 367,155 | 341,529 |
| Computerisation & Networking | 564,154 | 218,214 |
| Fuelling of Motor Vehicles | 1,620,060 | 523,000 |
| Membership and Subscription fees | 768,125 | 579,740 |
| Gas and Other Fuel | 605,112 | 317,287 |
| Principal Committee Expenses | 438,471 | 265,675 |
| ISO Certification, PC & SP monitoring | 1,338,064 | 1,245,990 |
| Hire Of Security | 2,253,369 | 2,060,610 |
| Internet Connectivity | 1,059,971 | 960,960 |
| Sports and Games | 1,082,632 | 467,830 |
| Conference Seminars & Workshops | 3,635,810 | 1,622,608 |
| Admission Expenses | 990,259 | 360,960 |
| Library Books, Journals & stationery | 4,063,738 | 3,400,847 |
| KUCCPS Expense | 841,500 | 100,000 |
| Motor Vehicle Insurance | 842,632 | 1,088,703 |
| Consultancy | 45,240 | 454,850 |
| Staff fees support | 20,000 | 22,000 |
| Bank Charges | 101,616 | 79,042 |
| Corporate social responsibility | 33,850 | 181,077 |
| Local Air travel | 557,065 | 32,630 |
| College Board of Examiners | 24,430 | 9,680 |
| Departmental Meetings | 66,750 | 5,760 |
| Program/ curriculum review | 100,000 | - |
| Water Expenses | 40,753 | 345,950 |
| Sanitary Expenses | 156,250 | 243,304 |
| Software licences | 80,950 | - |
| Placement and clinical rotation | 681,600 | 403,840 |
| Funeral Expenses | 24,500 | - |
| Laboratory tools and chemical supplies | 943,305 | 168,691 |
| KNEC Expenses | 103,240 | - |
| Audit Fees | 464,000 | 464,000 |
| Research Funds | 798,240 | - |
| Linen | - | 78,945 |
| Total Operation Expenses | 45,536,060 | 29,133,476 |

b) Provisions

| Description | 2023/2024 | 2022/2023 |
|--------------------------|------------------|-----------|
| | FY | FY |
| | Kshs | Kshs |
| Provision for legal fees | 464,000 | - |
| Provision for Audit fees | 2,670,000 | - |
| Total | 3,134,000 | - |

c) Reconciliation between Statement of Financial Performance and Statement of Cash flow

| Description | 2023/2024 | 2022/2023 |
|------------------------------------|-------------------|-------------------|
| | FY | FY |
| | Kshs | Kshs |
| Total Operating Expenses | 45,536,060 | 29,133,476 |
| Increase in Debtors & Receivables | 16,305,065 | - |
| Increase in Trade & Other payables | (5,823,107) | - |
| Total | 56,018,018 | 29,133,476 |

12. Employee Costs

| Description | 2023/2024 | 2022/2023 |
|---------------------------------|--------------------|-------------------|
| | FY | FY |
| | Kshs | Kshs |
| Salaries and wages | 63,400,963 | 36,673,072 |
| Housing benefits and allowances | 28,698,198 | 17,226,243 |
| Commuting & Bus fare | 14,009,033 | 10,998,306 |
| Part Time Teaching | 15,626,230 | 7,389,700 |
| Social contributions | 1,489,320 | 487,832 |
| Gratuity and Pension | 15,871,855 | 8,631,209 |
| Staff medical insurance | 10,616,675 | 6,020,693 |
| WIBA/GPA Insurance | 547,274 | - |
| Other employee related costs * | 18,956,367 | 7,830,803 |
| Employee costs | 169,215,915 | 95,257,858 |

Other employee related costs include other allowances such as Risk Allowance, Responsibility Allowance and Risk Allowance among others.

13. Council Expenses

| Description | 2023/2024 | 2022/2023 |
|---------------------------------|------------------|------------------|
| | FY | FY |
| | Kshs | Kshs |
| Chairman/Directors' Honoraria | 1,044,000 | 1,044,000 |
| Sitting Allowances | 3,060,300 | 2,885,500 |
| Travelling and Mileage Expenses | 279,650 | 820,490 |
| Other Council Expenses | 2,174,980 | 1,241,394 |
| Total | 6,558,930 | 5,991,384 |

14. Depreciation and Amortization Expense

| Description | 2023/2024 | 2022/2023 |
|--|-------------------|------------------|
| | FY | FY |
| | Kshs | Kshs |
| Furniture and Equipment | 1,442,075 | 900,501 |
| Motor Vehicles | 5,547,336 | 3,258,154 |
| Computers | 4,640,022 | 3,071,709 |
| Buildings | 255,476 | - |
| Total depreciation and amortization | 11,884,909 | 7,230,364 |

15. Repairs and Maintenance

| Description | 2023/2024 | 2022/2023 |
|--------------------------------------|------------------|------------------|
| | FY | FY |
| | Kshs | Kshs |
| Property and equipment | 3,340,893 | 5,770,819 |
| Motor Vehicles | 508,980 | 147,819 |
| Computers | 97,904 | - |
| Furniture and fittings | 410,828 | 7,800 |
| Total Repairs and Maintenance | 4,358,605 | 5,926,438 |

16. Contracted Services

| Description | 2023/2024 | 2022/2023 |
|----------------------------------|----------------|------------------|
| | FY | FY |
| | Kshs | Kshs |
| Contracted Professional fees | 110,000 | 2,700,000 |
| Total Contracted Services | 110,000 | 2,700,000 |

Contracted Professional Services relates to Legal services rendered.

17. Cash and Cash Equivalents

| Description | 2023/2024 | 2022/2023 |
|--|-------------------|-------------------|
| | FY | FY |
| | Kshs | Kshs |
| Equity Bank – Fees Collection | 6,065,906 | 5,337,390 |
| Co-operative Bank – Fees Collection | 9,449,091 | 3,425,340 |
| KCB - Capitation | 7,090,172 | 23,459,287 |
| KCB - IGA | 494,420 | 235,635 |
| Family Bank – Development | 4,688,379 | 44,432,041 |
| Family Bank – Research | 4,893,732 | - |
| Petty Cash | 436 | 95,567 |
| Total Cash And Cash Equivalents | 32,682,136 | 76,985,260 |

Detailed Analysis of the Cash and Cash Equivalents

| Financial Institution | Account number | 2023/2024 | 2022/2023 |
|-------------------------------------|----------------|-------------------|-------------------|
| | | FY | FY |
| | | Kshs | Kshs |
| a) Current Account | | | |
| Equity Bank – Fees Collection | 0660282250603 | 6,065,906 | 5,337,390 |
| Co-operative Bank – Fees Collection | 01129556920900 | 9,449,091 | 3,425,340 |
| KCB - Capitation | 1293058254 | 7,090,172 | 23,459,287 |
| KCB - IGA | 1293068888 | 494,420 | 235,635 |
| Family Bank - Development | 004000038829 | 4,688,379 | 44,432,041 |
| Family Bank - Research | 004000038828 | 4,893,732 | |
| Sub- Total | | 32,681,700 | 76,889,693 |
| b) Others(Specify) | | | |
| Cash In Hand | | 436 | 95,567 |
| Sub- Total | | 436 | 95,567 |
| Grand Total | | 32,682,136 | 76,985,260 |

18. Receivables from Exchange Transaction

(a) Receivables from Exchange Transactions (Current)

| Description | 2023/2024 | 2022/2023 |
|--------------------------------------|------------------|----------------|
| | FY | FY |
| | | Kshs |
| Receivables | | |
| Student Fees Arrears (KUCCPS) | 3,960,798 | 244,350 |
| Student Fees Arrears (Short courses) | 19,000 | 14,000 |
| Student Fees Arrears (SSP) | 339,250 | 211,750 |
| Total Current Receivables | 4,319,048 | 470,100 |

Student fees arrears majorly relates to Government scholarships and HELB Loans not yet received.

(b) Ageing analysis for Receivables from exchange transactions

| Description | 2023/2024 | | 2022/2023 | | |
|------------------|------------------|----------------|----------------|----------------|--|
| | FY | | FY | | |
| | | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total | |
| Less than 1 year | 4,319,048 | 100% | 470,100 | 100 % | |
| Total | 4,319,048 | 100% | 470,100 | 100 % | |

19. Receivables from Non-Exchange Transactions

| Description | 2023/2024 | | 2022/2023 | |
|---|-------------------|----------------|----------------|----------------|
| | FY | | FY | |
| | Kshs | | Kshs | |
| KPLC Deposit | 400,000 | | - | |
| Kenyatta University (Development Grant Receivable) | 1,519,499 | | 578,230 | |
| Other debtors (non-exchange transactions) | 226,046 | | 357,072 | |
| Ministry of Education | 14,261,279 | | - | |
| Total receivables from non- exchange transactions | 16,406,824 | | 935,302 | |
| | | | | |
| Ageing Analysis- Receivables from non-exchange transactions | 2023/2024 | % of the total | 2022/2023 | % of the total |
| | FY | | FY | |
| Less than 1 year | 16,406,824 | 100% | 935,302 | 100 % |
| Total | 16,406,824 | 100% | 935,302 | 100 % |

Increase in Kenyatta University is attributed by adjustments made on projects transferred to MNUC.

20. Prepayments

| Description | 2023/2024 | | 2022/2023 | |
|-------------------------------|-----------|--|-----------|--|
| | FY | | FY | |
| | Kshs | | Kshs | |
| Medical Insurance Pre-payment | - | | 3,015,405 | |

21. Inventories

| Description | 2023/2024 | | 2022/2023 | |
|--|------------------|--|------------------|--|
| | FY | | FY | |
| | KShs | | KShs | |
| Maintenance Store | 1,143,967 | | 1,054,542 | |
| Health Drugs Store | 330,501 | | 89,784 | |
| Central Store General | 1,095,401 | | 245,604 | |
| Cleaning Material | 226,283 | | 57,396 | |
| Merchandise | 133,670 | | - | |
| Total inventories at the lower of cost and net realizable value | 2,929,822 | | 1,447,326 | |

Inventories to operational stock and minor works stock in different stores held at the close of financial year.

Notes to the Financial Statements (Continued)

22. Property, Plant and Equipment

| Cost | Land | | Buildings | | Motor vehicles | | Furniture and fittings | | Computers | | Other Assets (specify) | | Capital Work in progress | | Total | |
|----------------------------------|-------------|-------------|------------|------------|----------------|------------|------------------------|------------|-----------|------|------------------------|------|--------------------------|-------------|-------|------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| As At 1 July 2022 | - | - | - | - | - | - | 480,490 | 980,600 | - | - | - | - | 7,143,040 | 8,604,130 | | |
| Additions | 136,000,000 | 136,000,000 | 21,306,000 | 21,306,000 | 10,736,592 | 10,318,600 | - | - | - | - | - | - | 419,516,828 | 597,878,620 | | |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfers/Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| As at 30 th June 2023 | 136,000,000 | 136,000,000 | 21,306,600 | 21,306,600 | 11,217,082 | 11,299,200 | 4,829,112 | 4,270,736 | - | - | - | - | 426,659,868 | 606,482,750 | | |
| Additions | - | - | 5,296,350 | 5,296,350 | 4,829,112 | 4,270,736 | - | - | - | - | - | - | 74,104,657 | 88,500,855 | | |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfer/Adjustments | - | - | 10,219,050 | 10,219,050 | - | - | - | - | - | - | - | - | (10,219,050) | - | | |
| As at 30 th June 2024 | 136,000,000 | 136,000,000 | 26,602,950 | 26,602,950 | 16,046,194 | 15,569,936 | 16,046,194 | 15,569,936 | - | - | - | - | 490,545,475 | 694,983,605 | | |
| Depreciation And Impairment | | | | | | | | | | | | | | | | |
| At 1 July 2022 | - | - | - | - | - | - | 4,004 | 24,515 | - | - | - | - | - | 28,519 | | |
| Depreciation | - | - | 3,258,154 | 3,258,154 | 900,501 | 3,071,709 | - | - | - | - | - | - | - | 7,230,364 | | |
| Impairment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfers/ Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| As at 30 th June 2023 | - | - | 3,258,154 | 3,258,154 | 904,505 | 3,096,224 | 904,505 | 3,096,224 | - | - | - | - | - | 7,258,883 | | |
| Depreciation | - | - | 255,476 | 255,476 | 1,442,075 | 4,640,022 | 1,442,075 | 4,640,022 | - | - | - | - | - | 11,884,909 | | |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Impairment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfer/Adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| As at 30 th June 2024 | - | - | 8,805,490 | 8,805,490 | 2,346,580 | 7,736,246 | 2,346,580 | 7,736,246 | - | - | - | - | - | 19,143,792 | | |
| Net Book Values | | | | | | | | | | | | | | | | |
| As at 30 th June 2024 | 136,000,000 | 136,000,000 | 17,797,460 | 17,797,460 | 13,699,614 | 7,833,690 | 13,699,614 | 7,833,690 | - | - | - | - | 490,545,475 | 675,839,813 | | |
| As at 30 th June 2023 | 136,000,000 | 136,000,000 | 18,048,446 | 18,048,446 | 10,312,577 | 8,202,976 | 10,312,577 | 8,202,976 | - | - | - | - | 426,659,868 | 599,223,867 | | |

Notes to the Financial Statements (Continued)

WIP ANALYSIS

| NAME | AMOUNT(KShs) |
|-----------------------------------|---------------------|
| Tuition Block Phase 1 | 78,395,481 |
| Purchase of ERP system | 11,348,880 |
| Bus Shed | 1,541,806 |
| Administration Block | 250,364,168 |
| Lecturer Theatre & External Works | 148,895,140 |
| Total | 490,545,475 |

Notes to the Financial Statements (Continued)

Valuation

Land was valued by Ministry of Lands, Public Works, Housing and Urban Development professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020).

(b) Property, Plant and Equipment at Cost

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

| Description | Cost | Accumulated Depreciation | NBV |
|---|--------------------|--------------------------|--------------------|
| | Kshs | Kshs | Kshs |
| Land | 136,000,000 | - | 136,000,000 |
| Buildings | 10,219,050 | 255,476 | 9,963,574 |
| Plant And Machinery | - | - | - |
| Motor Vehicles, Including Motorcycles | 26,602,950 | 8,805,490 | 17,797,460 |
| Computers And Related Equipment | 15,569,936 | 7,736,246 | 7,833,690 |
| Office Equipment, Furniture, And Fittings | 16,046,194 | 2,346,580 | 13,699,614 |
| Total | 204,438,130 | 19,143,792 | 185,294,338 |

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

| Description | Cost or valuation | Normal annual depreciation charge |
|--|-------------------|-----------------------------------|
| Plant and Machinery | - | - |
| Motor Vehicles including Motorcycles | - | 25% |
| Computers and Related Equipment | - | 33.3% |
| Office Equipment, Furniture and Fittings | - | 10% |
| Total | - | |

Notes to the Financial Statements (Continued)

23. Trade and Other Payables

| Description | 2023/2024 | | 2022/2023 | |
|--|------------------|-----------------------|------------------|-----------------------|
| | FY | | FY | |
| | KShs | | KShs | |
| Pay As You Earn | - | | 35,532 | |
| VAT | 2,709 | | 322,302 | |
| Withholding tax | - | | 192,931 | |
| Accrued Expenses | 1,902,035 | | - | |
| General Creditors | - | | 7,553,789 | |
| Retention | 4,646,414 | | - | |
| Provision for Legal Fees | 2,670,000 | | - | |
| E-CITIZEN | 3,330 | | - | |
| Provision for Audit Fees | 464,000 | | - | |
| Total trade and other payables | 9,688,488 | | 8,104,554 | |
| Ageing analysis: (Trade and other payables) | 2023/2024 | % of the Total | 2022/2023 | % of the Total |
| | FY | | FY | |
| Under one year | 9,688,488 | 100% | 8,104,554 | 100% |
| Total | 9,688,488 | | 8,104,554 | 100% |

24. Refundable Deposits and Prepayments from Customers

| Description | 2023/2024 | | 2022/2023 | |
|---|------------------|-----------------------|------------------|-----------------------|
| | FY | | FY | |
| | Kshs | | Kshs | |
| Customer deposits | 55,300 | | - | |
| Student Caution Money | 1,148,000 | | 361,000 | |
| Student's subscriptions | 287,185 | | 137,500 | |
| C.D.F Control | 26,000 | | - | |
| Scholarship Control | 527,000 | | - | |
| HELB Control | 1,035,000 | | - | |
| Fees Suspense | 20,200 | | - | |
| Student Creditors | 4,973,005 | | 499,651 | |
| KIEPS/SKIES Research fund | 299,634 | | - | |
| Total deposits | 8,371,324 | | 998,151 | |
| Ageing analysis: (Refundable deposits) | 2023/2024 | % of the Total | 2022/2023 | % of the Total |
| | FY | | FY | |
| Under one year | 7,872,824 | 94% | 998,151 | 100 % |
| 1 – 2 Years | 498,500 | 6% | - | - |
| Total | 8,371,324 | 100% | 998,151 | 100 % |

25. Employee Retirement Plan

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

26. (a) Working Capital Analysis

| Description | 2023/2024 | 2022/2023 |
|--|-------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Working Capital Adjustments | | |
| Increase in Debtors & Receivables | 16,305,065 | 159,400,301 |
| Increase in Trade & Other Payables | (5,823,107) | 8,573,159 |
| Net Working Capital Adjustments | 10,481,958 | 167,973,460 |

26 (b) Cash Generated from Operations

| Description | 2023/2024 | 2022/2023 |
|--|-------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Surplus for the year before tax | 16,712,628 | 7,792,125 |
| Adjusted for: | | |
| Depreciation | 11,884,909 | 7,230,364 |
| Provision for Audit Fees | 464,000 | - |
| Provision for Legal Fees | 2,670,000 | - |
| Working capital adjustments | | |
| Increase in inventory | (1,482,496) | (1,129,146) |
| Increase in receivables | (16,305,065) | - |
| Increase in payables | 5,823,107 | 8,573,159 |
| Decrease in debtors & receivables | - | 159,400,301 |
| Net cash flow from operating activities | 19,767,083 | 181,866,803 |

27. Purchase of Property, Plant and Equipment

| Description | 2023/2024 | 2022/2023 |
|----------------------------------|-------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Motor vehicles: KDG 880C | - | 12,363,000 |
| KDK 306P | - | 4,983,600 |
| KDK 898P | 5,296,350 | - |
| Furniture and Equipment | 4,829,112 | 10,736,592 |
| Computers | 4,270,736 | 10,318,600 |
| SUB-TOTAL | 14,396,198 | 38,401,792 |
| Capital Work in Progress | | |
| Administration Block | - | 250,364,168 |
| Lecture Theatre & External works | 6,755,221 | 134,996,879 |
| ERP | 5,373,656 | 5,975,224 |
| Tuition Block Phase 1 | 61,940,780 | 16,454,701 |
| Ablution Block | - | 8,138,569 |
| Temporary Kitchen | - | 2,080,481 |
| Bus Shed | 35,000 | 1,506,806 |
| SUB-TOTAL | 74,104,657 | 419,516,828 |
| TOTAL | 88,500,855 | 457,918,620 |

28. Accumulated Surplus

| Description | 2023/2024 | 2022/2023 |
|-----------------------------------|-------------------|-------------------|
| | FY | FY |
| | Kshs | Kshs |
| Balance b/f | 47,528,602 | 39,736,475 |
| Surplus/ (Deficit) for the period | 16,712,628 | 7,792,126 |
| Balance c/f | 64,241,230 | 47,528,602 |

29. Revaluation Reserve

| Description | 2023/2024 | 2022/2023 |
|--------------------------|--------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Balance b/f | 139,960,000 | - |
| Valuation for the period | - | 139,960,000 |
| Balance c/f | 139,960,000 | 139,960,000 |

30. Capital Fund

| Description | 2023/2024 | 2022/2023 |
|-----------------------------------|--------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Balance b/f | 458,485,953 | 228,112,858 |
| Development Grants for the period | 24,430,648 | 257,373,095 |
| Balance c/f | 509,916,601 | 485,485,953 |

31. Financial Risk Management

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

i) Credit risk

The University College 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 Council. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the University College's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

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

Notes to the Financial Statements (Continued)

Financial Risk Management

| Description | Total amount | Fully performing | Past due | Impaired |
|--|-------------------|-------------------|----------|----------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2024 | | | | |
| Receivables from exchange transactions | 4,319,048 | 4,319,048 | - | - |
| Receivables from non-exchange transactions | 16,406,824 | 16,406,824 | - | - |
| Bank balances | 32,682,136 | 32,682,136 | - | - |
| Total | 53,408,008 | 53,408,008 | - | - |
| As at 30 June 2023 | | | - | - |
| Receivables from exchange transactions | 470,100 | 470,100 | - | - |
| Receivables from non-exchange transactions | 935,302 | 935,302 | - | - |
| Bank balances | 76,985,260 | 76,985,260 | - | - |
| Total | 78,390,662 | 78,390,662 | - | - |

The customers under the fully performing category majorly relates to Government sponsored student receivables which mainly relates to pending scholarship disbursement by Universities Fund Board and Loans by HELB. Others relate to recurrent grant by GoK which had not been received by 30th June 2024.

The credit risk associated with these receivables is minimal and thus no allowance for uncollectible amounts has been recognised in the financial statements.

Concentration risk

Concentration risk is the risk posed to the University College by any single or group of exposures which have the potential to produce losses large enough to threaten the ability of the University College to continue operating as a going concern. The receivables relate to different category of customers and do not have the potential to produce large losses thus there is no concentration risk.

Financial Risk Management

ii) Liquidity risk management

Liquidity risk is the risk that the University College may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process.

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

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|--|-------------------|--------------------|------------------|-------------------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2024 | | | | |
| Trade payables | 6,554,488 | - | - | 6,554,488 |
| Payments received in advance | - | 6,880,839 | 1,490,485 | 8,371,324 |
| Provisions | 3,134,000 | - | - | 3,134,000 |
| | | | | |
| Total | 9,688,488 | 6,880,839 | 1,490,485 | 18,059,812 |
| As at 30th June 2023 | | | | |
| Trade payables | 8,104,554 | - | - | 8,104,554 |
| Payments received in advance | - | 637,151 | 361,000 | 998,151 |
| Provisions | - | - | - | - |
| Total | 8,104,554 | 637,151 | 361,000 | 9,102,705 |

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The University College has put in place an internal audit function to assist it in assessing the risk faced by the University College on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the University College's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the University College's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The University College has no transactional currency exposures in the financial year under review.

b) Interest rate risk

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

Management of interest rate risk

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

iv) Capital Risk Management

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

| Description | 2023-2024 FY | 2022-2023 FY |
|---|--------------------|--------------------|
| | Kshs | Kshs |
| Revaluation Reserve | 139,960,000 | 139,960,000 |
| Retained Earnings | 64,241,230 | 47,528,602 |
| Capital Reserve | 509,916,601 | 485,485,953 |
| Total Funds | 714,117,831 | 672,974,555 |
| Total Borrowings | - | - |
| Less: Cash and Bank Balances | 32,682,136 | 76,985,260 |
| Net Debt/(Excess Cash And Cash Equivalents) | - | - |
| Gearing | 0% | 0% |

32. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the University College 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.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Council Members

Mama Ngina University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

| Description | 2023/2024 | 2022/2023 |
|--|--------------------|--------------------|
| | FY | FY |
| | Kshs | Kshs |
| Transactions with related parties | | |
| a) Sales to related parties | | |
| Sales of electricity to govt agencies | - | - |
| Rent income from govt. Agencies | - | - |
| Water sales to govt. Agencies | - | - |
| Others (specify) e.g. interest and bank charges | - | - |
| Total | - | - |
| B) Purchases from related parties | | |
| Purchases of electricity from KPLC | 4,227,885 | 1,377,887 |
| Purchase of water from Govt. service providers | 40,753 | 345,950 |
| Rent expenses paid to Govt. agencies | - | - |
| Training and conference fees paid to govt. Agencies(KSG) | 1,888,000 | - |
| Total | 6,156,638 | 1,723,837 |
| b) Grants /transfers from the government | | |
| Grants from National Govt. (MOE) | 181,135,339 | 170,234,113 |
| | - | - |
| Total | 181,220,339 | 170,234,113 |
| c) Expenses incurred on behalf of related party | | |
| Payments of salaries and wages | - | - |
| Payments for goods and services | - | - |
| Total | - | - |
| d) Key management compensation | | |
| Council members' emoluments | 6,558,930 | 5,926,438 |
| Senior Management | 28,140,163 | 12,513,444 |
| Total | 34,699,093 | 18,439,882 |

Senior management salaries in the year 2022/2023 accounts only for six months January 2023 to June 2023. July 2022 to December 2022 salaries were met by Kenyatta University since all were seconded from there but payroll transferred in January 2023.

33. Capital Commitments

| Capital Commitments | 2023/2024 | 2022/2023 |
|-------------------------------|-------------------|-------------------|
| | FY | FY |
| | Kshs | Kshs |
| Authorised for | - | - |
| Authorised and contracted for | 92,928,271 | 92,928,271 |
| Total | 92,928,271 | 92,928,271 |

Capital commitment relates to Tuition Block construction Phase 1 contracted in Financial Year 2021/2022 which is still going on in the financial year under review.

34. Events after the Reporting Period

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

35. Ultimate And Holding Entity

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

36. Currency

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

20. Appendices


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

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|-----------------------------------|--|
| 1(2022/2023) | Duplication of payments for contracted works | All contractors carried out distinct scope of work and there was neither duplication of contracts nor duplication of payments for contracts. | Resolved | |
| 2(2022/2023) | Non-Compliance with fiscal responsibility principles. | The University College is still at the formative stage and most of the department operating below the approved staff levels, requiring more academic staff recruitment. The University College is still facing low student enrollment and government allocation and hence most resources are being used for staff costs. | Not Resolved | Continuous |
| 3(2022/2023) | Irregular Payment of Acting Allowance | Out of the six positions, only two staff members are currently in acting capacities i.e. Registrar & Architect. The recruitment process will commence upon approval of the HR instruments. | Not Resolved | Awaiting approval of HR Instruments |
| 4(2022/2023) | Irregular payment of Car Allowance | The non-use of car allowance removed from all the staff. | Resolved | |
| 5(2022/2023) | Irregular payment of Secretariat Allowance | The Secretariat allowance was removed, and the extraneous allowance was given where necessary according to HR policy | Resolved | |

Mama Ngina University College
Annual Reports and Financial Statements
for the year ended June 30, 2024.

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|-----------------------------------|--|
| 6(2022/2023) | Irregular Payment of Board Expenses | All gaps have been fully addressed. | Resolved | |
| 7(2022/2023) | Irregular payment of Legal Services | The request for approval to engage a law firm with the necessary expertise for legal proceedings is under consideration by Office of the Attorney General | Not Resolved | Awaiting approval from the AG's office |
| 8(2022/2023) | Inadequate ICT infrastructure and integrated ICT systems | ICT policy was approved | Resolved | |
| 9(2022/2023) | Failure to tag Fixed Assets. | All-University College assets were dully tagged | Resolved | |


.....
PROF. ZIPPORAH NG'ANG'A
PRINCIPAL

DATE: 17-12-2024

Appendix II: Projects implemented by Mama Ngina University College

Projects implemented by the State Corporation 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) |
|--|----------------|-------|-----------------|------------------|---|--|
| Proposed Admin Block and Lecture Theatre | | N/A | 2019-2023 | N/A | N/A | YES |
| Tuition Block Phase 1 | | N/A | 2022-2024 | N/A | N/A | YES |

Status of Projects completion

| S N | Project | Total project Cost | Total expended to date | Completion % to date | Budget | Actual | Sources of funds |
|-----|--|--------------------|------------------------|----------------------|-------------|-------------|------------------|
| 1. | Proposed Admin Block and Lecture Theatre | 460,075,060 | 399,259,308 | 97% | 460,075,060 | 399,259,308 | GoK |
| 2. | Tuition Block Phase 1 | 100,000,000 | 78,395,481 | 95% | 100,000,000 | 78,395,481 | GoK |

Appendix IV: Transfers from Other Government Entities

| Name of the MDA/Donor Transferring the funds | Date received | Nature: Recurrent/Development/Others | Total Amount - KES | Where Recorded/recognized | | | | | Total Transfers |
|--|-----------------------|--------------------------------------|--------------------|------------------------------------|-------------------|-----------------|-------------------|---------------------------|--------------------|
| | As per bank statement | | | Statement of Financial Performance | Capital Fund | Deferred Income | Receivables | Others - must be specific | |
| Ministry of Education | 14/07/2023 | Development | 14,430,648 | - | 14,430,648 | - | - | - | 14,430,648 |
| | 10/08/2023 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 30/08/2023 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 12/09/2023 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 02/11/2023 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 01/12/2023 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 17/01/2024 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 13/02/2024 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 29/02/2024 | Development | 10,000,000 | - | 10,000,000 | - | - | - | 10,000,000 |
| | 13/03/2024 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 15/04/2024 | Recurrent | 14,261,278 | 14,261,278 | - | - | - | - | 14,261,278 |
| | 17/05/2024 | Recurrent | 14,261,279 | 14,261,279 | - | - | - | - | 14,261,279 |
| | 12/06/2024 | Recurrent | 14,261,279 | 14,261,279 | - | - | - | - | 14,261,279 |
| 30/06/2024 | Recurrent | 14,261,279 | 14,261,279 | - | - | 14,261,279 | - | 14,261,279 | |
| Total | | | 195,565,987 | 171,135,339 | 24,430,648 | - | 14,261,279 | - | 195,565,987 |

Appendix V- Inter-Entity Confirmation Letter

Name of Transferring entity.....

Name of Beneficiary entity.....

| Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY) | | | | | |
|--|----------------|---------------|-----------------|--------------------|---------|
| 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.....



MAMA NGINA UNIVERSITY COLLEGE
OFFICE OF THE PRINCIPAL

Office Tel: 020 2085006 / 020 2084004

Office cellphone: 0740 931797

Website: www.mnu.ac.ke

P.O. BOX 444-01030

Gatundu, Kenya

Email: principal@mnu.ac.ke

info@mnu.ac.ke

RE: MNUC/P/Govt-Min/MOEST/VOL.II (20)

Date: 12th August, 2024

Dr. Beatrice Muganda Inyagala,
The Principal Secretary,
Ministry of Education,
State Department for University Education and Research,
P.O. BOX 9583-00200,
NAIROBI.

Dear Madam,

REF: CONFIRMATION OF GRANTS AND CAPITATION

Reference is made to your letter Ref: MOEST/AC/GEN/09/VOL XI dated 30th July, 2024 requesting for confirmation of grants and capitation for financial year 2023/2024.

Mama Ngina University College received recurrent and development funds as grants from the Ministry of Education as tabulated below:

| S/NO. | MONTH | DATE RECEIVED | CAPITATION | DEVELOPMENT GRANTS |
|-------|----------------|---------------|---------------------|--------------------|
| 1 | July 2023 | 10/08/2023 | 14,261,278 | |
| 2 | August 2023 | 30/08/2023 | 14,261,278 | |
| 3 | September 2023 | 12/09/2023 | 14,261,278 | |
| 4 | October 2023 | 02/11/2023 | 14,261,278 | |
| 5 | November 2023 | 01/12/2024 | 14,261,278 | |
| 6 | December 2023 | 17/01/2024 | 14,261,278 | |
| 7 | January 2024 | 13/02/2024 | 14,261,278 | |
| 8 | February 2024 | 29/02/2024 | - | 10,000,000 |
| 9 | February 2024 | 13/03/2024 | 14,261,278 | |
| 10 | March 2024 | 15/04/2024 | 14,261,278 | |
| 11 | April 2024 | 17/05/2024 | 14,261,279 | |
| 12 | May 2024 | 12/06/2024 | 14,261,279 | |
| 13 | June 2024 | 01/07/2024 | 14,261,279 | |
| | Total | | 171,135,339= | 10,000,000= |

...2/

Shaping the future

Shaping the future

Kindly note that the allocation for Development Grants for 2023/2024 Financial Year was Ksh.40,000,000 but what was disbursed was Ksh.10,000,000.

I am kindly requesting for disbursement of the remaining Ksh.30,000,000 which the University hand committed in the ongoing construction of Tuition Block (Phase 1) to facilitate provision of Lecture Halls for the incoming students.

Thank you for your continued support.

Prof. Zipporah W. Ng'ang'a (Ph.D.)
Principal
MAMA NGINA UNIVERSITY COLLEGE

Head of Accounting Unit
State Department for University
Education and Research

Signature:



Signature: