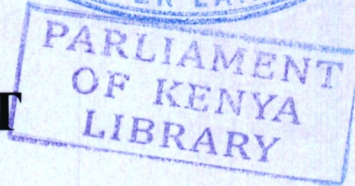


REPUBLIC OF KENYA



*Paper laid by
Leader of Majority
on 22/10/14
Chuka*

KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

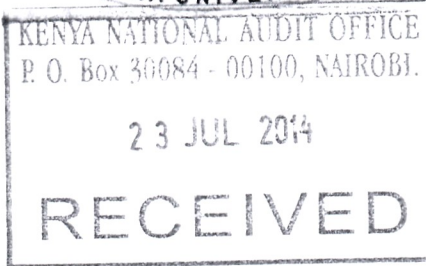
**THE FINANCIAL STATEMENTS OF
CHUKA UNIVERSITY**

**FOR THE YEAR ENDED
30 JUNE 2013**

CHUKA



UNIVERSITY



ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2013

Chuka University

P.O BOX 109 - 60400,

CHUKA

Tel: 020 2329079

020 2310518

Web: www.cu.ac.ke

Email: admin@cu.ac.ke

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Institutional Information

Establishment

Chuka University is an independent public University established through a Charter as per the Universities Act, 2012.

Registered Office and Principal Place of Business

Chuka University

Chuka Town

P.O BOX 109 - 60400,

CHUKA

Bankers

1. Kenya Commercial Bank Ltd,

P.O Box 7014

CHUKA.

- 2 Cooperative Bank of Kenya

P.O. Box 101 - 60400

CHUKA.

3. Equity Bank

P.O. Box 213-60400

CHUKA.

Independent Auditors

Auditor General

Kenya National Audit Office

P.O Box 30084 -00100

NAIROBI.

Members of the University Council

1. Prof. Reuben Indiatsi Nasibi - Chairman, CU Council
2. Prof. Erastus N. Njoka - Vice - Chancellor/CEO
3. Ms. Mary Masinde - Rep. P.S., Ministry of Educ, Sci, & Tech
4. Mr. John Munge - Rep. P.S., Ministry of National Treasury
5. Mr. John S. Mbaya - Member
6. Ms. Linda Lumbasi - Member
7. Mrs. Jane J. Nakodony - Member
8. Mr. Amos Chiguba - Member
9. Mr. Justin Mabeya Machini - Member

Chancellor and Chief Officers of the University

Chancellor

Prof. Kabiru Kinyanjui

BA, (University of East Africa), M.A., Ph.D. (Harvard)

Chairman of Council

Prof. Reuben Nasibi Indiatsi

BA, (Redlands), MA., Ph.D. (Howard)

Vice Chancellor/CEO

Prof. Erastus N. Njoka

PGD, M.Sc., Ph.D. (Friendship University)

Ag. Deputy Vice Chancellor (AF&P)

Prof. Stanley M. Kagwanja

B.Ed, M.Sc., (UoN), Ph.D. (Bristol, U.K)

Ag. Deputy Vice Chancellor (AA)

Prof. Dorcas K. Isutsa

B.Sc, (Egerton), M.Sc., Ph.D., (Cornell)

Registrar (Administration)

Francis M. Mulwa

B.Ed., M.Ed., (UON), MIHRM, AMKIM

Ag. Registrar (Academic Affairs)

Jonathan M. Chara

BA (UoN), PGDE., (Egerton)

Ag. Finance Officer

John K. Thurania

BCOM, MBA, (Egerton), CPA (K)

Corporate Information

Mandate

The Mandate of the Chuka University as provided by Charter dated 8th January, 2013 is as follows.

- To provide directly, or in collaboration with other institutions of higher learning, facilities for university education, the integration of teaching, research and effective application of knowledge and skills to the life, work and welfare of citizens of Kenya;
- To participate in the discovery, transmission, and preservation and enhancement of knowledge and to stimulate the intellectual participation of students in the economic, social, cultural, scientific, and technological development of Kenya
- To provide and advance university education and training to appropriately qualified candidates, leading to the conferment of degrees and award of Diplomas and certificates and such other qualifications as the Council and the Senate shall from time to time determine and in so doing contribute to manpower needs
- To conduct examinations for such academic awards as may be provided in the statutes pertaining to the University ; and
- To examine and make proposals for new faculties, schools, institutes, departments, resource and research centres, study courses and subjects of study.

Vision

To be a Premier University for the provision of quality education, training and research for sustainable national and global development

Mission

To generate, preserve and share knowledge for effective leadership in higher education, training, research and outreach through nurturing an intellectual culture that integrates theory with practice and innovation

Council Chairman's Report

It is a great honour for me to present the fifth financial statements of Chuka University for Financial Year 2012/2013. This is the first time the statements are presented after the institution was elevated to a full pledged University. I am delighted because of the milestones we have made as a University. The government's objective of establishing the University was to enhance access to quality and affordable education in the Eastern region and Kenya at large. Education is a catalyst for transforming Kenya as envisaged in vision 2030.

Fixed assets of the University have grown significantly since the institution's inception and now stand at Ksh 1.4 billion. These assets which include buildings, plant and equipment, motor vehicles, computers and furniture make the institution conducive for higher learning. Construction of a modern Science Tuition Block, Business/Students Recreation Centre, Business Studies Complex, Media Studio and tarmacking of access roads are on-going and are expected to complete soon.

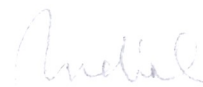
I wish to thank the Government of Kenya and other stakeholders for funding our projects during the financial year. The University's student population is growing fast and we continue to appeal for support for the projects in our strategic plan such as a modern Library Complex, Administration Block and modern IT infrastructure among others.

Lastly, my gratitude goes to my fellow Council members, the Management, Staff and Students of Chuka University for working indefatigably to ensure that the University succeeds in its mission.

Thank you.



Prof. Reuben Indiatsi Nasibi, Ph.D
COUNCIL CHAIRMAN



Vice - Chancellor's Report

I am delighted to present the Annual Report and Financial Statements of Chuka University for the year ended 30th June, 2013 as per the Chuka University Charter and Exchequer and Audit Act 2003.

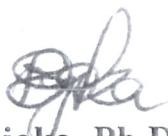
During the year under review, the University realized a surplus of Ksh179 million compared to Ksh 102 million for the year ended 30th June, 2012. During the same year, the University generated Ksh 294 million as Appropriation In Aid which was used to fund purchase of equipment, support construction projects and in operations. The Government contributed a total of Ksh 158 million to support capital projects and Ksh 441 million for recurrent expenditure.

The University has continued with its core business of teaching, training and research. The University had a student population of over 8,000 and is expected to double in the next five years. Establishment of Embu Town, Igembe and Chogoria campuses would enhance access to university education and improve the financial base of the University. Staff population was 381 at the end of the year.

On behalf of Chuka University, I wish to take this opportunity to thank the Government and all our development partners for their important support.

Finally, I would like to express my sincere appreciation to the University Council for providing policy and strategic guidelines, the University staff and students who worked meticulously to ensure smooth and successful operations of the University.

Thank you all,



Prof. E.N. Njoka, Ph.D

VICE - CHANCELLOR/CEO




Statement of Council Members Responsibilities for Year Ended 30th June, 2013


The University Charter requires the Council to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the University as at the end of financial year and of the University's surplus or deficit for the year. The order also requires the Council Members to ensure that the University keeps proper accounting records that disclose with reasonable accuracy, the financial position of the University. They are also responsible for safeguarding the University's assets.

The Council accepts the responsibility for the Annual Report and Financial Statements, which have been prepared using appropriate accounting policies and supported by prudent judgments and estimates, in conformity with International Financial Reporting Standards and requirements of the Charter that established the University. The Council is of the opinion that the financial statements give a true and fair view of the state of financial affairs of the University as at 30th June, 2013 and the University's surplus. The Council further accept the responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal controls.

With the current trend of events, the University Council is of the opinion that the University will remain a going concern for at least the next twelve months from the date of this statement.

This statement was approved by Council on 7th September, 2013 and it is signed on their behalf by:


Prof. Reuben Indiatsi Nasibi, Ph.D
CHAIRMAN OF COUNCIL


Prof. E.N. Njoka, Ph.D
VICE – CHANCELLOR/CEO



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON CHUKA UNIVERSITY FOR THE YEAR ENDED 30 JUNE 2013

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Chuka University set out on pages 10 to 22, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of cash flows and statement of changes in net assets/capital and reserves 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 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor- General's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1. Biological Assets

The statement of financial position as at 30 June, 2013 reflects biological assets worth Kshs.888,000. However, although Note 1 (f) to the financial statements indicates that the assets are reflected at fair values less estimated point of sale costs as per IAS 41, no valuation report or any documentation was provided for audit verification and confirmation. Consequently, it was not possible to confirm accuracy of biological assets balance of Kshs.888,000 as at 30 June, 2013.

2. Property, Plant and Equipment

As reported in 2011/2012, included in the property, plant and equipment balance of Kshs.1,412,456,693.93 as at 30 June, 2013 is a parcel of land namely Karingani/Ndagani/741 measuring 1.0 hectares valued at Kshs.7,500,000 but whose title deed was not made available for audit review, although a letter of allotment dated 28 June 2011 is held by the University. Consequently, it was not possible to confirm ownership and accuracy of the property, plant and equipment balance of Kshs.1,412,456,693.93 as at 30 June 2013.

3. Provision for Bad and Doubtful Debts

The University made a provision for bad and doubtful debts at 1% of the total receivables for the year as disclosed under Note 5 to the financial statements. The financial statements reflect receivables balance of Kshs.37,235,234.11 after a provision of Kshs.376,113.48. Although the University had disclosed the treatment of the provision under note 1(g), no approved policy on bad and doubtful debts was provided for audit verification. As a result, adequacy of the provision for bad debts made during the year could not be ascertained.

4. Cash and Bank Balance

The cash and bank balance figure increased from Kshs.92,623,360 as at 30 June 2012 to Kshs.137,988,282 as at 30 June 2013. However, the bank reconciliation statement for the month of June 2013 for the Fee Account held at Cooperative Bank, reflected Kshs.3,673,261.00 described as difference shown in the bank statement but which had not been explained as to what it represented. Further, the bank

reconciliation statement for Kenya Commercial Bank account had an amount of Kshs.139,000 shown as cash lost on transit. Although the matter was indicated as reported to the police, the case had not been concluded as at the time of the audit. In the circumstances, accuracy and completeness of the cash and bank balance of Kshs.137,988,282 as at 30 June 2013 could not be ascertained.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Chuka University as at June 30, 2013, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Chuka University Charter of 8 January, 2013.




Edward R. O. Ouko, CBS
AUDITOR-GENERAL

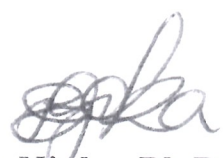
Nairobi

19 August 2014

Chuka University
Statement of Financial Position
as at June 30, 2013 and June 30, 2012

		2013	2012
		Ksh	Ksh
Assets	Note		
Property, Plant & Equipment	2	1,412,456,693.93	1,039,067,310
Biological Assets	3	888,000.00	995,000
Total Non Current Assets		1,413,344,693.93	1,040,062,310
Current Assets			
Inventories	4	9,614,470.00	11,519,652
Accounts Receivable	5	37,235,234.11	41,044,194
Cash & Bank Balances	6	137,988,282.69	92,623,360
Short-Term investments	7	510,000,000.00	526,000,000
Total Current Assets		694,837,986.80	671,187,206
Total Assets		2,108,182,680.73	1,711,249,516
Capital Funds			
Accumulated Capital Fund		1,051,994,792.00	893,146,323
Revenue Reserve		697,815,774.35	517,998,143
Revaluation Reserves		228,786,181.00	228,786,181
		1,978,596,747.35	1,639,930,647
Current Liabilities			
Accounts Payable	8	53,038,525.38	25,598,278
Retention- WIP		76,547,408.00	45,720,591
Total Current Liabilities		129,585,933.38	71,318,869
Total Funds & Liabilities		2,108,182,680.73	1,711,249,516


Prof. Reuben Indiatsi Nasibi, Ph.D
CHAIRMAN OF COUNCIL


Prof. E.N. Njoka, Ph.D
VICE – CHANCELLOR/CEO



Chuka University
Statement of Comprehensive Income
for the Year Ending June 30, 2013 and June 30, 2012

		2013	2012
		Ksh	Ksh
Income	Note		
Tuition and Related Income	9	234,976,361.00	191,477,710
Exchequer Grants	10	441,636,132.00	303,275,781
Income Generating Activities	11	1,499,493.00	793,217
Other Income	12	57,676,507.00	65,823,810
Total Income		735,788,493.00	561,370,518
Expenditure			
Administrative Expenses	13	59,113,068.00	58,958,896
Employment Expenses	14	349,127,659.45	240,092,056
Council Expenses	15	8,916,488.00	7,438,630
Marketing Expenses	16	23,051,005.00	29,444,211
Establishment Expenses	17	9,731,521.00	22,001,146
Financing Expenses	18	907,077.00	10,898,555
Academic Expenses	19	50,516,990.00	44,079,314
Prov. for Depreciation of Assets	20	54,007,053.20	45,320,996
Provision for Audit Fees		600,000.00	600,000
Total Expenditure		555,970,861.65	458,833,804
Surplus/ (Deficit)		179,817,631.35	102,536,714

Prof. Reuben Indiatsi Nasibi, Ph.D
CHAIRMAN OF COUNCIL

Prof. E.N. Njoka, Ph.D
VICE – CHANCELLOR/CEO

Chuka University

Statement of Changes in Reserves

for the Year Ended 30 June 2013

	Capital Fund	Revaluation Reserves	Revenue Reserves	Total
	Ksh	Ksh	Ksh	Ksh
Balance as at 01/07/2012	590,236,196.00	228,786,181.00	415,461,429.00	1,234,483,806.00
Surplus/Deficit for the year	-	-	102,536,714.00	102,536,714.00
Capital Grants	302,910,127.00	-	-	302,910,127.00
Balance as at 30/06/12	893,146,323.00	228,786,181.00	517,998,143.00	1,639,930,647.00
Surplus/Deficit for the year	-	-	179,817,631.35	179,817,631.35
Capital Grants	158,848,469.00	-	-	158,848,469.00
Balance as at 30/06/13	1,051,994,792.00	228,786,181.00	697,815,774.35	1,978,596,747.35

Prof. Reuben Indiatsi Nasibi, Ph.D
CHAIRMAN OF COUNCIL

Prof. E.N. Njoka, Ph.D
VICE – CHANCELLOR/CEO

Chuka University**Cash flow Statement****for the Year Ending June 30, 2013 and June 30, 2012**

	2013	2012
	Ksh	Ksh
Cash Flow From Operating Activities:		
Surplus/Deficit	179,817,631.35	102,536,714.00
Adjustment For:		
Depreciation	54,007,053.20	45,320,996.00
	233,824,684.55	147,857,710.00
Changes In:		
Biological Assets	107,000.00	(300,000.00)
Investments	16,000,000.00	(176,000,000.00)
Inventories	1,905,182.00	(4,388,926.00)
Accounts Receivable	3,808,959.11	3,158,353.00
Accounts Payable	27,440,247.38	13,586,271.00
Retention- WIP	30,826,817.00	26,897,210.00
Cash From Operating Activities	80,088,205.49	(137,047,092.00)
Net Cash from Operating Activities	313,912,890.04	10,810,618.00
Investing Activities		
Property, Plant & Equipment	(427,396,436.35)	(398,666,746.00)
	(427,396,436.35)	(398,666,746.00)
Financing Activities		
Government Grants – Capital	158,848,469.00	302,910,127.00
	158,848,469.00	302,910,127.00
Net Increase / (Decrease) In Cash & Cash Equivalents	45,364,922.69	(84,946,001.00)
Cash & Cash Equivalents at Start of Year	92,623,360.00	177,569,361.00
Cash & Cash Equivalents at End of Year	137,988,282.69	92,623,360.00
Analysis of Cash & Cash Equivalents:		
Cash & Bank Balances	137,988,282.69	92,623,360.00
	137,988,282.69	92,623,360.00

Prof. Reuben Indiatsi Nasibi, Ph.D
CHAIRMAN OF COUNCIL

Prof. E.N. Njoka, Ph.D
VICE – CHANCELLOR/CEO

Notes to the Financial Statements

Note 1: Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards. The principles adopted are as follows:

a) Basis of preparation

The financial statements have been prepared under historical cost convention.

b) Revenue and expenditure recognition

Income including student fees is recognized in the period in which it is earned, while expenditure is recognized in period in which it is incurred.

c) Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis (IAS 20)

d) Property, Plant and Equipment

Property, plant and equipment are stated at cost less any recognized impairment loss. Costs include professional fee. University land is freehold property and not subjected to amortization. Depreciation on other property is charged so as to write off the value of the assets during their estimated useful life, using straight line method. Assets are subjected to a full year's depreciation except those acquired within the last three months of the year. The annual rates are:

Buildings	2.5%
Machinery and Equipment	20%
Furniture and Fittings	12.5%
Motor Vehicles	25%
Library Books	20%
Computers and peripheral devices and Software	30%

e) Inventories

Inventories are stated at lower of cost and net realizable value. Costs includes direct material and where applicable direct labour and those overheads that have been incurred to bring the inventories to their present location and condition. Costs of issues are calculated using 'First In First Out' (FIFO) method. Net realizable value represents the estimated selling prices less all estimated costs of disposal (IAS 2)

f) Biological assets

Biological assets are measured on initial recognition at balance sheet date at its fair value less estimated point of sale costs as per IAS (41)

g) Receivables

Receivables are recognized when commitments are effected. A provision of 1% of the total receivables has been provided to take care of receivables which may not be recovered in full.

h) Cash and cash equivalentents

For the purposes of cash flow statement, cash and cash equivalent include short-term liquid investments which are readily convertible into known amounts of cash which are within three months to maturity when acquired, less advances (overdrafts) from the banks repayable within three months from the dates of the advances.

i) Retirement benefits obligations

After University inherited the former Eastern Campus of Egerton University, the staff opted to remain in the Egerton University Pension Scheme. The scheme is funded by contributions based on the basic salary from both employees and employer at a rate of 10% and 20% respectively.

The University also contributes to the statutory National Social Security Fund (N.S.S.F.). This is a defined contribution scheme registered under N.S.S.F. Act. The University's obligations under this scheme are limited to specific contributions legislated from time to time and currently limited to a maximum of Ksh 200.00 per employee per month, while the employer contributes Ksh 200.00 per month. The University's obligation to staff retirement benefit schemes are charged to income statement in the year to which they relate.

j) Capitalization policy

Capital projects remain as work in progress until they are certified complete then they are recognised as assets.

Note 2: Plant, Property and Equipment (Kshs)

Particulars	Land	Buildings	Plant & Equipment	Motor Vehicle	Furniture & Fittings	Computer Hardware	Computer Software	Library Books	Work In Progress	Totals
Cost/Value on 1/7/2012	190,950,000.00	362,159,526.00	41,941,837.00	44,128,310.00	28,717,696.00	33,943,833.00	0	14,844,500.00	441,455,804.00	1,158,141,506.00
Additions for the Period	30,000,000.00		22,777,852.00		3,973,079.00	14,917,173.00	8,927,749.00	1,253,048.00	345,547,535.35	427,396,436.35
WIP Capitalized		3,817,460.00							(3,817,460.00)	
Disposals										
Cost/Value on 6/30/2013	220,950,000.00	365,976,986.00	64,719,689.00	44,128,310.00	32,690,775.00	48,861,006.00	8,927,749.00	16,097,548.00	783,185,879.35	1,585,537,942.35
Accumulated Depreciation		18,025,615.00	27,214,638.00	36,857,103.00	8,001,748.00	21,356,686.00		7,618,406.00		119,074,196.00
Disposals										
Depreciation Charge for The Period		9,149,424.65	12,943,937.80	7,271,207.00	4,086,347.00	14,658,302.00	2,678,325.00	3,219,510.00		54,007,053.43
Net Book Value on 6/30/2013	220,950,000.00	338,801,946.35	24,561,113.20		20,602,680.00	12,846,018.00	6,249,424.00	5,259,632.00	783,185,879.35	1,412,456,693.92
Net Book Value on 7/1/2012	190,950,000.00	344,133,911.00	14,727,199.00	7,271,207.00	20,715,948.00	12,587,147.00	0	7,226,094.00	441,455,804.00	1,039,067,310.00

Notes to Financial Statements Cont...

Note 3: Biological Assets					
				2013	2012
Item	Unit	Qty	Cost/unit	Ksh	Ksh
Crops					
Maize	Acre	1.5	0.00	67,500.00	135,000
Coffee	Tree	200	300.00	60,000.00	60,000
Bananas	Sucker	200	200.00	40,000.00	20,000
Livestock					
Cows		3	75,000.00	225,000.00	150,000
Heifer		2	40,000.00	80,000.00	60,000
Calf		1	20,000.00	20,000.00	20,000
Bulls		3	40,000.00	120,000.00	120,000
Sheep		17	1,500.00	25,500.00	30,000
Llama -Males		0	0.00	0.00	100,000
-Females		1	100,000.00	100,000.00	200,000
-Creoles		3	50,000.00	150,000.00	100,000
Total				888,000.00	995,000

Note 4: Inventories		
	2013	2012
	Ksh	Ksh
Main Stores	8,851,049.00	10,210,058
Health Drug Store	365,477.00	575,116
Kitchen Store	397,944.00	734,478
	9,614,470.00	11,519,652

Note 5: Accounts Receivable		
	2013	2012
	Ksh	Ksh
Students Fees Receivable	33,789,854.00	31,199,748
Imprest Debtors	3,821,493.59	10,259,034
Provision For Bad & Doubtful Debts	(376,113.48)	(414,588)
	37,235,234.11	41,044,194

Note 6: Cash & Cash Equivalents		
	2013	2012
	Ksh	Ksh
KCB -Fees Collection A/C -1103755439	77,355,287.00	19,989,767
Cash In Hand - KCB Operations A/C	-	142,000
KCB Operations A/C -1113791985	5,651,308.69	13,855,977
Equity IGUs A/C- 0293981713	348,179.00	309,387
Cash In Hand- Equity IGUs A/C	0.00	24,400
Equity - Catering Dept. A/C	315,704.00	309,956

Cash in Hand- Equity Catering Dept. A/C	-	431,372
Equity -TOWA A/C	692,012.00	460,830
Cooperative Bank -Development A/C 2058189900	29,165,888.00	39,471,767
Cooperative- Fees Collection A/C 01129058189900	24,459,904.00	17,627,904
	137,988,282.69	92,623,360

Note 7: Short-Term Investments

	2013	2012
	Ksh	Ksh
Fixed Deposit Account K.C.B.	400,000,000.00	340,000,000
Fixed Deposit Account Cooperative Bank	110,000,000.00	186,000,000
	510,000,000.00	526,000,000

Note 8: Accounts Payable

	2013	2012
	Ksh	Ksh
General Creditors	3,262,118.00	5,272,004
Student Caution Money	11,984,000.00	7,716,000
Student Fees Prepayment	11,791,603.00	12,010,274
Provision For Audit Fees	600,000.00	600,000
Lecturers Claims	25,400,804.38	0
	53,038,525.38	25,598,278

Note 9: Tuition and Related Income

	2013	2012
	Ksh	Ksh
Tuition Diploma & Certificates	59,335,567.00	46,833,977
Tuition JAB	33,778,614.00	32,719,794
Tuition SSP Undergraduate	114,213,210.00	88,144,839
Bridging Fees	1,406,970.00	826,500
Tuition SSP Postgraduate	22,455,200.00	19,595,300
Course Retake	536,800.00	369,100
Application Fees	3,250,000.00	2,988,200
	234,976,361.00	191,477,710

Note 10: Exchequer Grants- Recurrent

	2013	2012
	Ksh	Ksh
Ministry of Higher Educ. S&T		
16-Aug.-12	34,439,648.40	25,272,982
03-Sep-12	34,439,648.40	25,272,982
11-Oct-12	34,439,648.40	25,272,981
02-Nov-12	34,439,648.40	25,272,982
06-Dec-12	97,239,648.40	25,272,981
31-Dec-12	34,439,648.40	25,272,982
05-Feb-13	34,439,648.40	25,272,982

	05-Mar-13	34,439,648.40	25,272,982
	10-Apr-13	34,439,648.40	25,272,982
	06-May-13	34,439,648.40	25,272,981
	31-May-13	34,439,648.40	25,272,982
		-	25,272,982
Total		441,636,132.40	303,275,781
Note 11: Income Generating Activities			
		2013	2012
		Ksh	Ksh
IGU Income Catering		(723,994.00)	(506,920)
IGU Income Medical		2,616,261.00	1,489,569
IGU Income Farm		(392,774.00)	(189,432)
		1,499,493.00	793,217
Note 12: Other Incomes			
		2013	2012
		Ksh	Ksh
Wear and Tear		75,250.00	87,350
Hire of Facilities		25,900.00	28,500
Disposal of Assets		179,410.00	180,495
Accommodation		6,455,000.00	5,047,937
Students Transport Fees		0.00	39,710
Charges for A.I. Services		146,900.00	229,000
Library Subscription		2,000.00	5,000
Surcharges & Fines		37,396.00	22,465
Donations		-	37,862
Interest from Investments		47,099,140.00	56,757,737
Sale of Tender Documents		1,320,935.00	1,158,000
Decrease in Prov. for Bad Debts		37,235.00	31,903
External Grants		2,297,341.00	2,197,851
		57,676,507	65,823,810
Note 13: Administrative Expenses			
		2013	2012
		Ksh	Ksh
General Insurances		4,058,390.00	4,034,811
Vehicle Repairs/Transport Operating Exp		4,183,851.00	3,804,413
Travelling & Subs. Staff		10,113,936.00	9,689,506
University Committees' Expenses		1,313,489.00	1,476,684
Postage & Telephone		1,596,096.00	1,599,666
Electricity Expenses		5,173,807.00	6,656,208
Honorarium		192,300.00	194,760
Water Supply Expenses		4,572,624.00	4,415,353

Staff Uniforms	459,680.00	279,278
Newspapers Journals & Videos	558,625.00	581,732
Office Stationery	5,019,549.00	5,652,306
Subscriptions	1,478,284.00	1,342,000
Rent & Rates	348,000.00	739,700
Professional Services	157,673.35	2,040,584
Hire of Security Services	1,809,482.00	1,100,380
Computer Maintenance Expenses	6,000.00	295,674
Internet Expenses	8,236,357.58	1,438,866
Legal Fees	38,000.00	50,000
Student Welfare Expenses	2,288,381.00	4,540,365
Staff Welfare & Development Expenses	706,900.00	1,762,400
Conferences & Seminars	5,503,955.00	5,937,217
Cleaning Materials	1,285,688.00	1,274,993
Staff Education Fund	12,000.00	52,000
	59,113,068.00	58,958,896

Note 14: Employment Expenses

	2013	2012
	Ksh	Ksh
Jul-12	20,587,314.00	18,427,073
Aug-12	20,154,786.00	18,441,483
Sep-12	20,154,898.00	21,279,917
Oct-12	21,173,104.00	19,206,238
Nov-12	21,134,766.00	19,278,783
Dec-12	38,883,845.00	19,418,268
Jan-13	34,298,631.00	20,566,481
Feb-13	32,032,468.00	19,385,841
Mar-13	31,313,512.00	19,383,520
Apr-13	30,779,628.00	19,536,181
May-13	31,009,233.00	19,685,855
Jun-13	30,509,514.00	20,134,768
Casual Labour Expenses	3,097,378.80	3,682,226
Gratuities	12,579,459.65	142,626
Hospitalization & Medical Expenses	1,419,122.00	1,522,796
	349,127,659.45	240,092,056

Note 15: Council Expenses	2013	2012
	Ksh	Ksh
Sitting Allowance	4,360,000.00	3,420,000
Lunch Allowance	445,000.00	264,500
Accommodation Allowance	2,004,000.00	1,976,000
Mileage	2,107,488.00	1,778,130
	8,916,488.00	7,438,630
Note 16: Marketing Expenses	2013	2012
	Ksh	Ksh
Advertising & Publicity	20,737,955.00	19,525,225
Show & Exhibition Expenses	2,313,050.00	9,918,986
	23,051,005.00	29,444,211
Note 17: Establishment Expenses	2013	2012
	Ksh	Ksh
Electricity Upgrading Expense	345,250.00	230,537
Repairs & Maint. Bld, Plant & Equip	9,079,271.00	21,543,659
Purch. Animal Breeding Facilities	307,000.00	226,950
	9,731,521.00	22,001,146
Note 18: Financing Expenses	2013	2012
	Ksh	Ksh
Bank Charges & Interest	529,724.00	483,967
Provisions For Bad Debts	377,353.00	414,588
Bad Debts Written Off	0.00	10,000,000
	907,077.00	10,898,555
Note 19: Academic Expenses	2013	2012
	Ksh	Ksh
Sal. & Wag. External Examiners	933,900.00	747,070
Part- Time Lect. Expenses	39,413,541.00	39,213,101
Graduation Expenses	94,900.00	546,420
Teaching Practice & Field Attachment All.	1,916,033.00	1,156,760
Academic Field Trips	666,856.00	676,409
Teaching/Lab. Materials	5,862,823.00	1,313,942
Examination Stationery	-	-
Other Research Expenses	1,628,937.00	425,612

50,516,990.00	44,079,314
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Note 20: Prov. For Depreciation of Assets	2013	2012
	Ksh	Ksh
Depreciation Buildings	9,149,424.40	9,053,988
Depreciation Plant & Equipment	12,943,937.80	8,388,367
Depreciation Motor Vehicles	7,271,207.00	11,032,078
Depreciation Furniture & Fittings	4,086,347.00	3,589,712
Depreciation Computer Hardware	14,658,302.00	10,183,150
Depreciation Computer Software	2,678,325.00	104,800
Depreciation Library Books	3,219,510.00	2,968,901
	54,007,053.20	45,320,996