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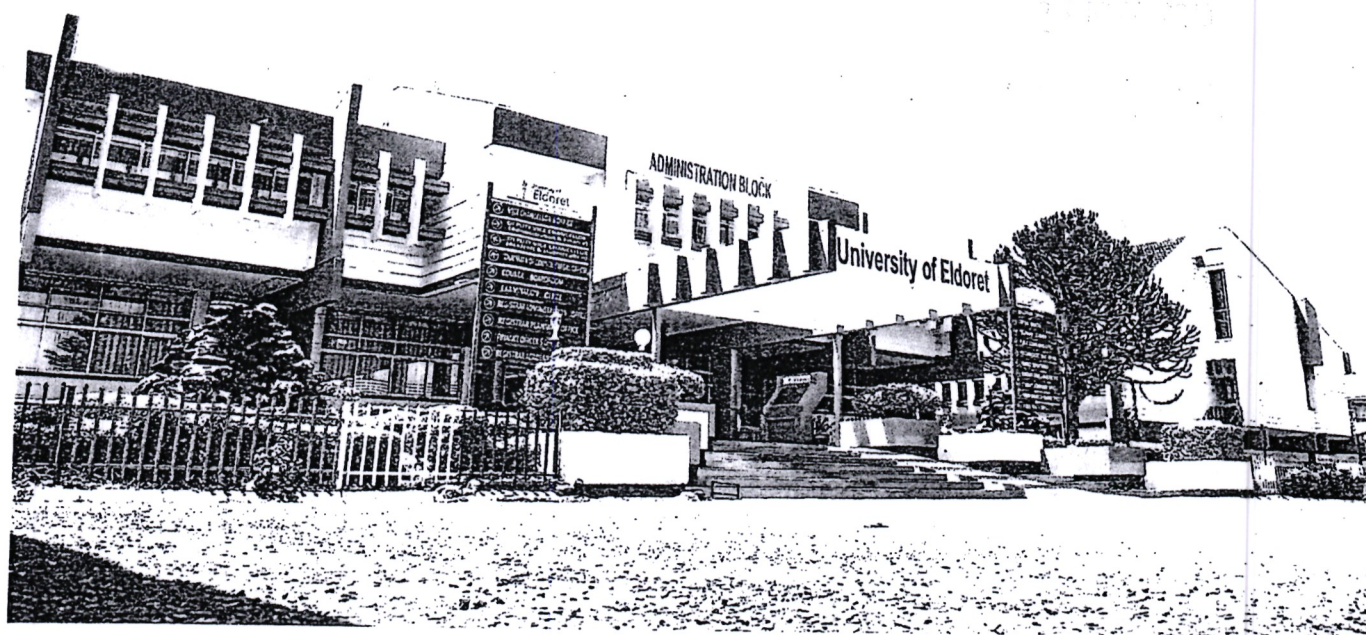
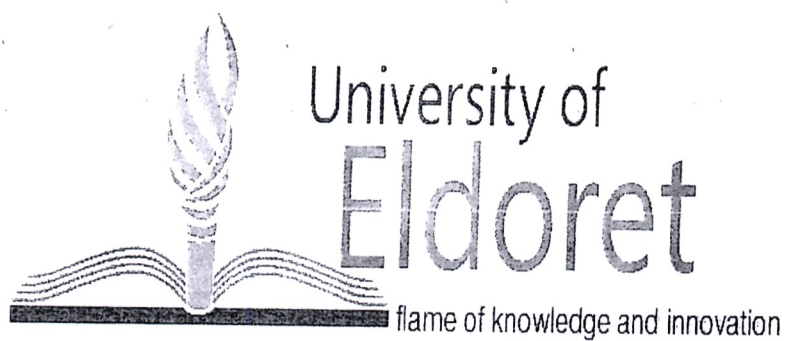
	
REPORT	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 22 SEP 2021	DAY: Wednesday
TABLED BY: OF	chief whip Hon. Wangwe Emmanuel
CLERK-AT THE-TABLE:	Christine Ndlovu

THE AUDITOR-GENERAL

ON

UNIVERSITY OF ELDORET

**FOR THE YEAR ENDED
30 JUNE, 2019**



UNIVERSITY OF ELDORET
ANNUAL REPORT AND FINANCIAL STATEMENTS
For The Financial Year Ended June 30, 2019

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

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KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The University of Eldoret was founded in 1946 by the white settlers as a Large Scale Farmers Training Centre. In 1984, it was converted to a teachers training college - Moi Teachers. It became a campus of Moi University in 1990 - Chepkoilel Campus and was established as a Constituent College in August 2010, through Legal Notice No. 125. It became a fully-fledged University after being awarded a Charter on 11th February 2013 by the then President of the Republic of Kenya His Excellency Mwai Kibaki and became the 14th public university in Kenya. The University is represented by the University Council, through the Vice Chancellor who is responsible for the general policy and strategic direction of the University.

(b) Principal Activities

The Core business of the University as provided by the Universities Act 2012 of the Laws of Kenya includes:

- i) Teaching, Research and Technology Innovations
- ii) Corporate social responsibility and Promotion of social fairness
- iii) Cooperation with Government in the planned development of university education
- iv) Advisory and consultancy services

Vision

To be a premier University that is globally visible in knowledge generation and technological innovations.

Mission

To provide high quality education and training in science, agriculture and technology that promotes networking, partnerships and linkages with other institutions and industry.

Core Values

At University of Eldoret, we are committed to:

- 1) Integrity;
- 2) Innovativeness;
- 3) Customer satisfaction;
- 4) Competitiveness;
- 5) Equity
- 6) Inclusivity; and
- 7) Responsiveness.

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Objectives and Functions

- 1) To excel in teaching, research consultancy and outreach;
- 2) To acquire, maintain, preserve and organize the collection of library resources for learning;
- 3) To provide students with secure accommodation, adequate health services and recreational facilities for holistic development;
- 4) To advance in science, technology and innovation for sustainable development
- 5) To acquire, develop and maintain quality infrastructure for academic excellence;
- 6) To attract, recruit, develop and retain high quality staff of both gender;
- 7) To ensure revenue growth through effective management of costs and resource mobilization to facilitate meeting of financial obligations;
- 8) To initiate and mainstream environmentally sound management systems; and
- 9) To establish and strengthen networks, partnerships and linkages.

Quality Assurance Statement

University of Eldoret is committed to providing quality education and services that meet the needs of its customers and other stakeholders through quality and relevant teaching, research consultancy and outreach.

(c) Key Management

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

- 1) University Management Board (UMB);
- 2) University Senate; and
- 3) University Deans Committee.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Vice Chancellor	Prof. Teresa A.O. Akenga
2.	Deputy Vice Chancellor (A&F)	Prof. Wilson Ngetich
3.	Deputy Vice Chancellor (ASA)	Prof. Ruth N. Otunga
4.	Deputy Vice Chancellor (PRE)	Prof. Philip Raburu
5.	Registrar (Academic)	Prof. Paul K. Tarus
6.	Ag. Registrar (Administration)	CPA Francis Ikapel Omete
7.	Registrar (Planning)	Dr. Benjamin Mwasi
8.	Ag. Finance Officer	CPA Ereu Totona
9.	Senior Legal Officer	Mr. Stephen Anditi

(e) **Fiduciary Oversight Arrangements**

The key fiduciary oversight arrangements exist between the University and the organs listed below:

- 1) Audit and Risk Management Committee of Council
- 2) Ministry of Education
- 3) Parliamentary Committees on Investment (PIC) and Education (PCE)
- 4) Public Procurement and Regulatory Authority (PPRA)
- 5) Ethics and Anti- Corruption Commission (EACC)
- 6) Office of the Audit General (OAG)

(f) **University Headquarters**

P. O. Box 1125 - 30100

Chepkoiel/Eldoret-Ziwa Road/Off Iten Road

Eldoret, KENYA

(g) **University Contacts**

Telephone: (254) (0) 5363111, (254) (0) 532033712, (254) (0) 532033712

E-mail: vc@uoeld.ac.ke

Website: www.uoeld.ac.ke

(h) **University Bankers**

- | | |
|--|--|
| 1. National Bank of Kenya Ltd
Eldoret Branch
P.O. Box 3111 - 30100
Eldoret, Kenya | 2. Kenya Commercial Bank
Eldoret West Branch
P.O. Box 5197 - 30100
Eldoret, Kenya |
| 3. Standard Chartered Bank Ltd
Eldoret Branch
P.O. Box 7 - 30100
Eldoret, Kenya | 4. Equity Bank Ltd.
Eldoret Branch
P.O. Box 2210 - 30100
Eldoret, Kenya |
| 5. Co-operative Bank of Kenya Ltd
Eldoret Branch
P.O. Box 2948 - 30100
Nairobi, Kenya | |

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(i) Independent Auditors

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
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

PERFORMANCE AT A GLANCE

Figure 1: Our Revenue in Brief

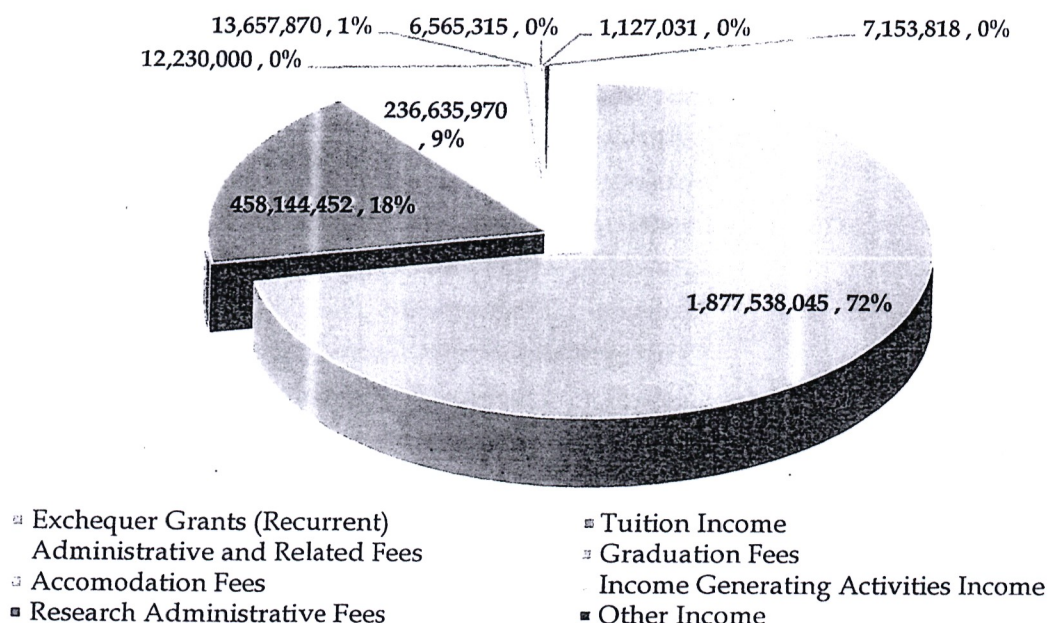
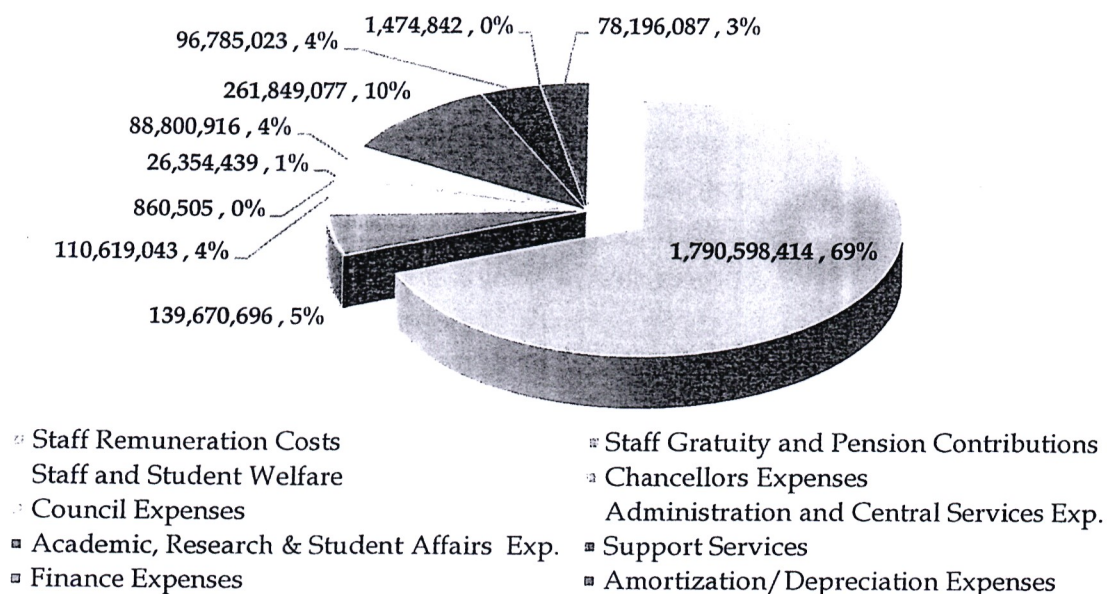


Figure 2: Allocations/Expenditure in Brief



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THE UNIVERSITY COUNCIL



Dr. David I. Ojaka
(DoB - 1955)

Dr. Ojaka is a leading specialist in business development, research, advocacy, policy formation, monitoring & evaluation, and management of health programs and projects. He recently served in AMREF Health Africa as the Head of Policy Advocacy. He held key positions in CERPOD, IPPF, NCPD and the Ministry of Planning and National Development. He holds a Doctorate Degree in Demography from University of Montreal in Quebec, Canada, Masters of Science in Population Studies and Bachelor of Education Science both from University of Nairobi. Dr. Ojaka is currently the Managing Director of BRIM Limited, a health research and managing consultancy firm.



**Prof. Teresa A. O.
Akenga,**
(DoB - 1963)

Prof. Teresa A. O. Akenga has served previously as the Deputy Vice-Chancellor (Academics, Research and Extension) at the Management University of Africa and the Deputy Principal (Academic Affairs) at Bondo University College currently Jaramogi Oginga Odinga University of Science and Technology (JOUST). She was an Associate Professor of Organic Chemistry at Kigali Institute of Science and Technology, Rwanda. She served as a lecturer and a senior lecturer in Chemistry Department teaching Organic Chemistry. Prof. Akenga holds a Ph.D. in Organic Chemistry from University of New South Wales in Australia, MSc in Chemistry and B.Ed (Sc.) in Chemistry both from Kenyatta University and an MBA (Corporate Governance) from KCA University. She has served as a member of the Executive Committee of the Inter-Universities Council of East Africa (IUCEA). Currently she is a representative of Universities on the Council of Kenya School of Government. She was awarded "The Moran of the Order of the Burning Spear" (MBS) by the President of Kenya, H.E. Uhuru Kenyatta in 2013 in recognition for her contribution to training, research and curricula development.

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Martin Ntabathia
(DoB – 1957)

An accountant by profession, Mr Ntabathia holds a Masters' Degree in Business Administration from University of Nairobi, a Bachelor of Commerce in Accounting and Finance from Strathmore University. He is a Certified Public Accountants (K) and a member of Chartered Institute of Management Accountants with vast experience from working both in the public and private sector. Mr. Martin Ntabathia is the Main Partner at ADD Value Services an accounting consultancy firm.



Teresa Chebet Maina
(DoB – 1966)

Ms. Maina holds a Masters' in Business Administration and Bachelors of Arts both from University of Nairobi. She is a member of the Institute of Human Resources Management. She has attended courses at the Centre of Corporate Governance, Federation of Kenya Employers and the Boston Institute for Developing Economies. She brings on board over 20 years of experience in Human Resources. Ms. Maina has previously served at Consolidated Bank as the Head of Human Resources, Human Resource Manager at Kenya Aerotech Limited and the Manager Public Relations at East Africa Portland Cement Co. Limited. Ms. Teresa C. Maina is the Managing Director at Human Capital Resource Centre, a Human Resource Consulting and Mediation Services.

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Pamela Khayasi Masinde
(DoB - 1967)

Mrs. Masinde-Wafukho is an experienced communication, marketing, administration, logistics and leadership development consultant. She holds a Masters of Arts in Communication Development from Daystar University and a Bachelor of Commerce in Marketing from the University of Nairobi. She has served both in Kenya and Jamaica while working with Campus Crusade International as an Associate Director, Executive Communication. She is the co-founder of Hadassah Initiative. Mrs. Masinde-Wafukho is the Lead Communication Consultant with ALEM Consult, a leadership training and strategy consultancy.



Geoffrey S. Ouma
(DoB - 1949)

Mr Ouma is an educationist, capacity building and management specialist. He holds a MA in Organization and Management from the University of Hull and PGD in Educational Studies from the University of Newcastle upon Tyne both in the UK. He has a BA in Education from the University of Nairobi. He has served in several capacities in the Ministry of Education, the latest being the Deputy Director in the Aids Control Unit. He was the Deputy Director and Head of Finance and Administration at Kenya Industrial and Development Institute (KIRDI). He has published articles and journals mainly with KICOSHEP. He is a consultant and team leader of St. Gabriel Entrepreneurship Initiative (GEDI) Consultants Firm which carries out capacity building programmes for both the public and civil sectors.

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Mr. Clement Obure Odeka
(DoB - 1965)

Mr. Clement Obure Odeka is the alternate member of the University Council representing the Principal Secretary, State Department for University Education. Mr. Odeka holds an Executive MBA in Public Policy & Administration from Kenyatta University, Master of Science Degree in ICT and a Bachelor of Science Degree both from University of Nairobi. He has served as the Head of ICT in the Ministry of Devolution and Planning and Ministry of State for Special Programmes. In the Ministry of Health he served as the Principal ICT Officer. He is a specialist in IT and leadership and has worked in collaboration with the World Health Organization, World Bank and SIDA. Mr. Odeka is the Head of ICT at the Ministry of Education, Science and Technology.



Zipporah Mogaka
(DoB - 1959)

Mrs Mogaka is an advocate of the High Court of Kenya and a commissioner for Oaths. She holds a Masters Degree in Law and Bachelor of Laws both from the UoN and a PGD in Legal Studies from the Kenya School of Law. She is a member of the Law Society of Kenya and the Institute of Certified Public Secretaries (K). She has served as the Company Secretary at Kenya National Capital Corporation and Kenya industrial Estates Limited. Mrs. Mogaka is the General Manager - Legal and Remedial at National Bank of Kenya Limited and a Managing Partner for Mogaka & Mogaka Advocates.

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**Mr. Duncan M.
Ndirangu**
(DoB –)

Mr. Duncan M. Ndirangu is the alternate member of the University Council representing the Cabinet Secretary, The National Treasury.

Mr. Ndirangu is a Professional Economist experienced in budgetary preparations, planning, appraisal, project management and implementation of development programmes and an expert in Monitoring & Evaluation. He has a wealth of experience in policy formulation and implementation gained while at the former Office of the Prime Minister and the Office of the Deputy President. He prepared the Nairobi Metropolitan Strategy besides Strategic Plans for the Ministry of Local Government now named the Ministry of Devolution, Office of the Deputy President and the National Treasury.

He holds a MA (Planning) and a B.A (Economics) from the (UoN). He has served with the former Ministry of Nairobi Metropolitan Development and the Ministry of Local Government as a Senior Economist, with the former Office of the Prime Minister and Office of the Deputy President as a Policy Analyst and Deputy Chief Economist in the Central Planning and Project Monitoring Unit at the Office of the Deputy President. He is currently the Deputy Director in charge of Inter-Governmental Fiscal Relations at the National Treasury.

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MANAGEMENT TEAM



**Prof. Teresa A. O.
Akenga,
Vice Chancellor**

Prof. Teresa A. O. Akenga has served previously as the DVC (Academics, Research and Extension) at the Management University of Africa and the Deputy Principal (Academic Affairs) at Bondo University (now JOOUST). She was an Associate Professor of Organic Chemistry at Kigali Institute of Science and Technology, Rwanda. She served as a lecturer and a senior lecturer in Chemistry Department teaching Organic Chemistry. Prof. Akenga holds a Ph.D in Organic Chemistry from University of New South Wales in Australia, MSc in Chemistry and B.Ed (Sc.) in Chemistry both from KU and an MBA (Corporate Governance) from KCA University. She is a member of the Executive Committee of the Inter-Universities Council of East Africa (IUCEA) and a representative of Vice-Chancellors at the Board of Kenya School of Government. She was awarded "The Moran of the Order of the Burning Spear" (MBS) by the President of Kenya, H.E. Uhuru Kenyatta in 2013 in recognition for her contribution to training, research and curricula development.



**Prof. Wilson K. Ng'etich
DVC (AF)**

Prof. Wilson K. Ng'etich is an Associate Professor in Soil Science and the Deputy Vice-Chancellor (Administration and Finance). He holds a Doctorate Degree in Agricultural Water Management from Cranfield University, United Kingdom, Master of Science and Bachelor of Science in Physics from University of Nairobi. He joined the then Chepkoilel Campus of Moi University as a Senior Lecturer in the Department of Soil Science in 2007, having worked at the Tea Research Foundation of Kenya as a senior scientist for 18 years, leaving when he was the Principal Research Officer. He teaches Soil Physics, Soil-Plant-Water Relations and Crop Modelling. He served as the Head of Department of Soil Science from October 2008 till his appointment as acting Director Town Campus in August 2016. He continues to be active in research, with current research interests in degraded lands. He has supervised and examined a number of postgraduate candidates within and outside Kenya. He is a member of the Institute of Physics (UK), the Soil Science Society of East Africa and the Environment Institute of Kenya.

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Prof. Ruth N. Otunga
DVC (ASA)

Prof. Ruth N. Otunga is a Professor of Education (Curriculum Studies) and the Deputy Vice-Chancellor (ASA). She holds B. Ed. (Home Economics) from UoN, M. Ed and PhD in Curriculum Studies from KU and MU respectively. Prof. Otunga has served under the Teachers' Service Commission as a teacher and lecturer. She has worked at MU as a lecturer, head of Department, Dean of School of Education and Deputy Principal (ASA) at the then Chepkoilel University College. She has published books, book chapters and articles in refereed journals. She is a member of the Assn. for African Women for Research and Development (AAWORD) and Assn. for Third World Studies, Kenya. She is a Vice President of the Organization for Social Science Research in Eastern and Southern Africa (OSSREA) and a Chair of the Regional Academic Advisory Board on African Centres of Excellence II (ACE II).



**Prof. Phillip Okoth
Raburu**
DVC (Planning, Research
and Extension).

Prof. Phillip Okoth Raburu is an Associate Professor and the Deputy Vice-Chancellor (Planning, Research and Extension). He holds a Doctorate Degree in Environmental Studies from Moi University, Master of Science in Hydrology and a Bachelor of Science in Botany and Zoology from University of Nairobi. He lectured in Siriba Teachers College, Kisii Teachers College and Ramogi Teachers College before joining Moi University as an Assistant Lecturer then grew through to be a Senior Lecturer at University of Eldoret and the immediate former Head of the Department of Fisheries and Aquatic Sciences. He teaches post-graduate courses and supervises research work for post graduate students. He is a member of the World Aquaculture Society, Victoria Institute for Research on Environment and Development International, Society of Wetlands Scientists, East African Natural History Society, Water Quality International, Panafrican Fish and Fisheries Association and East African Water Association (Kenya Chapter). He has written several publications and received research awards in the field of Wetlands Aquaculture.

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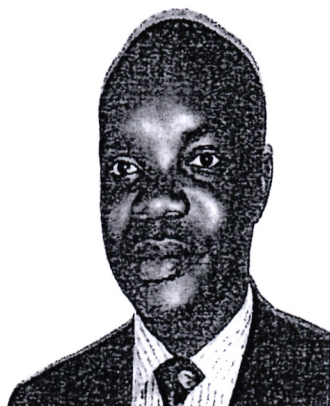


Prof. Paul K. Tarus
Reg. Academics

Prof. Paul Kipkosgei Tarus is an Associate Professor and the Registrar-Academic. He holds a Ph.D in Natural Product Chemistry, MSc in Chemistry and a BSc in Chemistry and Physics, all from Kenyatta University and Post-Doctoral Studies at the University of Natal, Durban, South Africa.

He has initiated collaborations between the UoE and the North Rift Herbalists Association, the Pyrethrum Board, Tianjin University of Chinese Traditional Medicine, the University of Western Cape in South Africa and the University of Free State, Bloemfontein, South Africa.

He is a member of the Kenya Chemical Society, Natural Products Research network of East and Central Africa (NAPRECA), Claude Ake Scholars' Association and Kenya DAAD Scholars' Association. Prof. Tarus has written several publications and been granted research awards in his field of Chemistry.



CPA Francis Ikapel
Omete
Ag. Reg.
Administration

Francis Ikapel Omete holds a Bachelor of Education (Arts) degree from University of Nairobi, specializing in Economics and Mathematics, Master of Business Administration (MBA) from Jomo Kenyatta University of Agriculture and Technology (JKUAT) specializing in Finance and is a Certified Public Accountant -CPA (K). He previously worked as Accountant I and then Senior Accountant with the Ministry of Finance-The Treasury, GoK for over five years gaining substantial administrative experience. He also worked as fund account manager for the National Government Constituency Development Fund Board (NG-CDF). He holds the international computer driving license (ICDL) and is currently pursuing his PhD in finance and lectures accounting and finance at university of Eldoret. He has also lectured accounting and Finance at Jomo Kenyatta University of agriculture and technology (JKUAT), Catholic University of Eastern Africa (CUEA) and Mt. Kenya University.

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Dr Benjamin Mwasi
Reg. Planning

Dr. Benjamin Njore Mwasi is the Ag. Registrar-Planning. He is a Registered Environmental Impact Assessment / Environmental Audit (EIA/EA) lead expert and practicing GIS expert.

Dr. Mwasi holds a Ph.D in Environmental Science from the University of Amsterdam, MA in Geography from Carleton University, Ottawa and a BSc in Surveying and Photogrammetry. He has written several publications and presented conference and seminar papers. He has served as a Senior Lecturer and Head of the Department Environmental Monitoring, Planning and Management, lecturer in the School of Environmental Studies at Moi University and a lecturer in the Geography Department at Egerton University. He worked at the Ministry of Lands and Housing (Survey Department) in several capacities.



CPA. Ereu K. Totona
Ag. Finance Officer

Mr. Ereu Kibon Totona is the Ag. Finance Officer.

Mr. Totona holds a Masters of Business management (Accounting) and a Bachelor of Arts (Technology & Management Studies) both from Moi University. He is a member of the Institute of Certified Public Accountants (K) and a member of the Institute of Investment and Financial Analyst.

An accountant by profession, he has served in both the public and private sector in various capacities. He was the Deputy Finance Officer at University of Eldoret, a Senior Accountant at Moi University and Senior Account Assistant at Moi University Holdings. He served as the Ag. Finance officer at Kabarak University and an Accountant at Kenya-Finland Development program – FINNIDA.

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Mr. Stephen Anditi
Senior Legal Officer

Mr. Anditi is the Senior Legal Officer. He is an advocate of the High Court of Kenya. He holds a Bachelor of Laws from Nkumba University, Uganda, a Post-Graduate Diploma from Kenya School of Law and a Diploma in Legal Studies from the Institute of Commercial Management. He is currently pursuing his Masters of Law.

He has served in the Supreme Court of Kenya and Legal Counsel Office of the Deputy Chief Justice and Vice-President of the Supreme Court, M/S Nyairo and Company Advocates in their Nairobi and Eldoret offices.

An arbitrator and associate member with the Institute of Chartered Arbitrators

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CHAIRMAN'S STATEMENT

University of Eldoret was chartered on 11th February 2013, as a young vibrant University dedicated towards enhancing Agriculture, Aquaculture and Innovativeness. Through the collective effort of the University Council, University Management Board, University Staff and our key stakeholders, we have managed to chart the way forward for the University by adhering to the Vision, Mission and Core Values which have been the guiding principles of our University. I wish to laud all of you for your dedicated efforts and support throughout this entire period, as we strived amidst challenges of inadequate funding, manpower and infrastructure to achieve this fete. I therefore, encourage you to continue with this dedication. Thus, it is with great pleasure to present to you this Annual Report for the financial year ended 30th June 2019. Below find a brief summary of key areas we wish to highlight as a University in the year under review:

Strategic Plan

The Strategic Plan 2014-2019 provided a blue print of the University's development priorities in the last five (5) years, which the University has fulfilled despite the changes in government policies more so in the higher education sector. The University Overall performance of 89.9% in our Strategic Plan 2014-2019 shows our commitment as a University in enhancing infrastructural development; student enrolment; academic excellence; research; innovation and outreach activities within our surroundings. The University Council, University Management Board and University Staff have worked steadfastly in a bid to create a conducive and enabling environment for teaching and learning.

In the year under review, the University conducted the End of Term Review of the Strategic Plan (2014-2019) in order to inform on the development of the next Five years' strategic plan and also to come up with a rationale for development of the strategic plan (2019-2024).

The milestones the University achieved during the period the Strategic Plan 2014-2019 was in force, resulted in a positive trajectory towards achieving our strategic objectives. As a Council, we realize the need through the University Senate for developing a niche for the University that will enhance its competitive edge within the Higher Education spheres. The University has developed the

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Annual Report and Financial Statements for the year ended 30th June 2019

next five (5) years Strategic Plan and has actualized the Key Result Areas of the Strategic Plan 2014-2019. The 2019-2024 Strategic Plan will be instrumental in guiding the implementation of activities within the University's Calendar for a five-year period.

Financial Obligation

The University of Eldoret depends largely on funds from the exchequer. Given the inadequacy of these financial resources, the Council has put in place measures for alternative resource mobilization by engaging like-minded partners in education, research and development. To moderate the financial challenges, the University has opened an Endowment Fund Bank Account which is currently active and running awaiting its official launch later in the year. The Endowment Fund Account will aid the University in sourcing for funds from well-wishers for mutual benefit of the University. Prudent management of the university's financial resources is a key Council mandate. I wish to declare that the financial statement given in this annual report is a true and fair view of the state of affairs of the University for the Financial Year ended June 30th, 2019 and the operating results of the University for the same period.

Performance Contract

In line with the provisions of the Constitution, Performance Contract is established to enhance efficient and effective service delivery to Kenyans. In order to meet our service delivery, the Council always enters into a performance contract with the Ministry of Education which is our parent ministry. The purpose of the Performance Contracts (PC) is to provide an objective assessment of results realized and challenges experienced by the University as we strive to achieve our core mandate. The objectives of the PC are drawn from the University of Eldoret Strategic Plan and anchored on the Kenyan Vision 2030, Medium Term Plan (MTP III), the Sector Performance Standards (SPS) and Sustainable Development Goals (SDGs). The contract is also sensitive to the presidential directives as stipulated in the "Big 4 Agenda". The University of Eldoret is very committed to this process as can be attested by previous assessment of the University's performance.

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Operating Environment

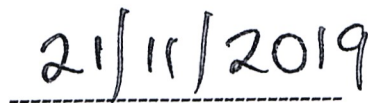
The operating environment was very dynamic and as a Council, we were purpose-driven to ensure that University programs remain relevant. Apart from these challenges there has been need to improve the infrastructure by increasing the physical facilities that would give the University a competitive advantage. I am pleased to report that in 2018/19 FY the Council targeted and implemented several projects. In line with the development agenda, the University has committed to align its projects and programmes in quality teaching and learning to conform to the 'Big Four' Agenda in order to enhance service delivery. These initiatives have seen the University enhance its commitment to improving health service delivery, facilitating Agri-Business Trade Fair and enhancing food security through fish farming, mushroom project and operationalizing the milk cooling plant.

Conclusion

The Council in all its undertakings continue to set the right tone geared towards the realization of University's vision and mission. On behalf of the Council, I wish to sincerely thank the Government of Kenya and our parent ministry for their continued support. To our development partners, we highly appreciate your continued support. I also want to thank the Chancellor for her undivided attention, guidance and commitment in the progress and development of the University of Eldoret. To the Management, staff and students, thank you for the commitment and dedication. I humbly appeal that we all continue with the commitment and hard work that you have exhibited during the year. It is our expectation that the peaceful and productive environment witnessed during the year will continue into the coming year.



Dr. David I. Ojaka
Chairman of Council



Date

REPORT OF THE VICE CHANCELLOR

The University of Eldoret as a centre for Agriculture, Blue-economy and innovation. We are dedicated towards offering quality services to our esteemed stakeholders. Through joint efforts of the University Council, University Management Board, University Staff and our major customers who are our stakeholders, the University has steadfastly ensured that it lives by its core values in ensuring that quality assurance and customer satisfaction is enhanced.

I am delighted to present the 2018/2019 Financial Year Report for year that ended 30th June 2019. As an institution of higher learning, we faced a mirage of challenges in the last financial year and majorly this emanated from the changing government policies as far as University policies are concerned. However, as a University we managed to put modalities in place to adapt to the changing policies, which have been vital in enhancing our sustainability throughout the period. This is because, the higher education sector in Kenya is dynamic and its rapidly changing thus universities have to contend with these changes in order to be able to continue delivering on their core mandate to the satisfaction of all stakeholders. To demonstrate our strides throughout the year, the following summarized key areas highlight our performance in the year under review.

Strategic Plan and Performance Contracting

During the 2018/2019 Financial Year, the University conducted End-term review of the 2014-2019 Strategic Plan. The review identified specific, mission driven activities and outcomes that were designed for institutional improvement and pegged at a performance achievement level of 89.9%. The review has been used to highlight the evidence-based outcome in each of the four Key Result Areas (KRAs) as well as informing on the development of the next five (5) years Strategic Plan. The implementation of the Strategic Plan was facilitated mainly through the performance contracting (PC) process with performance targets derived from the previous PCs, Strategic Plan, Sector Performance Standard (SPS), MTP III which are fully aligned to the University budget.

I am happy to report that so far, through collaborative efforts between the University Council, University Management Board and University Staff at large, the University managed a composite PC score of 2.9965 which translated to *Very*

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Good. This demonstrates the focus in utilizing the available resources within our disposal to achieving our set targets.

Teaching and Research Activities

As mentioned above, our main focus as a University is to provide quality researching and training in Agriculture, Blue-Economy and Innovation. Towards achieving our main focus, the University in the year under review managed to hold key teaching and research activities such as the Annual Agribusiness Trade Fair, Fish Farmers Training on Pond Management and Innovation Week just to name a few. This demonstrated our ability to enhance the attainment of our objectives.

The student population on the other hand has continued to change in response to the changes in the government policies. Currently, the University total student population stands at 14,174 students distributed in the nine Schools in the University. This figure comprises of diploma, undergraduate and post graduate students with over 800 taking their courses at the Town Campus. The University successfully held its 6th Graduation Ceremony on 30th November, 2018 graduating a total of 3,475 students among them 39 PhD's.

To deliver high quality and impact oriented research, the University is putting emphasis on collaborative research with relevant stakeholders including community, industries and other universities in Africa and the world at large. More so, the University newly established Fish Genetics and Genomics Research and Training Laboratory which is under the Department of Fisheries and Aquatic Sciences. This was funded by the National Research Fund (NRF) to a tune of Kshs.50,000,000. The University through its internal annual research grants system also funded five (5) research projects worth Kshs.3,850,000/= in order to promote research and innovation in all its academic units.

The University has indeed entered into collaboration with Universities and institutions both within the region and beyond such as the Collaborative Training in Fisheries and Aquaculture in East, Central and Southern Africa (COTRA) which has seen the University receive International Students on full scholarship. Likewise, the University for its input in agriculture, Aquaculture and mushroom farming, was selected by the Ministry of Agriculture, Livestock,

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Fisheries and Irrigation to become one of the hosts of the Youth Agribusiness Incubation Centres (YABICS) within the NOREB region. All these efforts are aimed at positioning the University as a premier research and innovation centre through promoting research and dissemination of knowledge, technologies and innovations that are responsive to societal needs.

Financial Performance and Utilization of Funds

The main source of funding to the University during this period under review was the Exchequer with a contribution of a total of **Kshs.1.88 billion** for recurrent expenditure purposes as compared with **Kshs.2.03 billion** in the previous year from the Parent Ministry. Internally generated revenue at **Kshs.735.41 million** during the year with fees paid by both the Government sponsored (GSSP) and Privately Sponsored Students Programme (PSSP) was the second major source of funding at **Kshs.458.14 million**. In addition, the University generated a sum of **Kshs.13.66 million** from accommodation fees and **Kshs.236.58 million** from student's administrative and related fees. In general, the University recorded an aggregate income of **Kshs.2.61 billion** during the year, while the recurrent expenditure stood at **Kshs.2.60 billion** with other gains of **Kshs.13.62 million**. The University therefore, recorded a surplus financial performance of **Kshs.30.53 million** during the year. This was mainly contributed by Exchequer grants receivable following late approval of final supplementary budget meant to cover for pending bills as directed by the president.

On the other hand, the Capital Development grants received by the University stood at **Kshs.89.54 million** during the year. The amount was expended in the respective on-going projects which progressed well during the year.

Conclusion

On behalf of the University Management Board, I take this opportunity to thank all our valued stakeholders; the Government of Kenya, partners and collaborators for their continued financial, material and moral support which helped us in improving the much desired facilities and infrastructure for learning. I appreciate the Chancellor and the University Council for providing guidance and support. I also wish to thank the management team, senate, all staff and the student community for upholding peace, hard work, discipline and

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the core values which we cherish as we strive to be a premier University that is globally visible in knowledge generation and technological innovations.



Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
Vice Chancellor



Date

CORPORATE GOVERNANCE STATEMENT

The University Council and management of University of Eldoret are committed to maintaining the highest standards of corporate governance.

The University Council

Members of the University Council were appointed by the Cabinet Secretary Ministry of Education with effect from 10th March, 2017 for a term of three years vide Gazette notice No, 2355 of 10th March, 2017. Pursuant to provisions of section 36 (1) (a) (b) and (c) of the Universities Act, 2012, there are eight Council members comprising of the Chairman; five (5) independent members; two members representing Permanent Secretary, Ministry of Education, State Department for University Education and Cabinet Secretary, National Treasury respectively; *ex-officio* member who is the Vice-Chancellor and also Secretary to Council.

The entire membership is as listed hereunder-;

- | | | |
|----|-----------------------------|------------------------------------|
| 1. | Dr. David Ojaka | -Chairman of Council |
| 2. | Prof. Teresa A.O. Akenga | -Secretary/ Ex officio |
| 3. | Dr. Nicodemus Ojuma | -Member/ Alternate to PS Education |
| 4. | Ms. Zipporah Kinanga Mogaka | -Member |
| 5. | Ms. Pamela Khayasi Masinde | -Member |
| 6. | Mr. Geoffrey S. Ouma | -Member |
| 7. | Ms. Teresa Chebet Maina | -Member |
| 8. | CPA. Martin Ntabathia | -Member |
| 9. | Plnr. Duncan M. Ndirangu | -Member / Alternate to CS Treasury |

Council is assisted in execution of its functions by four (4) Committees namely:

1. Finance, Planning, Resource Mobilization and General Purpose Committee (FPRMGPC).
2. Academic, Research, Innovations and Students' Affairs Committee (ARISAC).
3. Human Resource Committee (HRC)
4. Audit & Risk Management Committee (ARMC).

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Meetings of Council and its Committees

(a) Council Work Plan and Major Events

During the 2018/2019 Financial Year Council through its secretariat developed and implemented a Work Plan (Council Almanac). Major events in the Calendar of Council were as shown below:

DATE	EVENT
9.7.2018	Performance Contract negotiations
9.8.2018	Performance Contract vetting
18.9.2018	3 rd Inaugural Lecture by Prof. Julius Ochuodho
20.9.2018 - 22.9.2018	7 th Agribusiness Trade Fair
9.10.2018	Chancellor's consultative meeting with Council members
22.10.2018- 25.10.2018	HRC Workshop to discuss Scheme of Service
29.11.2018	6 th Graduation rehearsals
30.11.2018	6 th Graduation ceremony
13.12.2018	Performance Contract evaluation 2017/2018
30.1.2019	Touring of capital development projects
6.2.2019	Workshop to discuss Finance Policy and Procedures Manual
7.2.2019	Touring of capital development projects
12.2.2019	Financial Review meeting at National Treasury
18.2.2019 - 20.2.2019	Induction workshop for Board members
27.2.2019	Consultative meeting of chairpersons of public universities
28.2.2019 - 1.3.2019	Induction workshop for Board members
14.3.2019 - 15.3.2019	Workshop to discuss University policies
16.3.2019	Resource mobilization meeting to develop concept note for Sports Stadia
27.3.2019	ISO 9001:2015 certification ceremony
21.5.2019	Parliamentary Committee on Education and Research meeting

Table 1: Major Events in the 2018/2019 Calendar of Council

(b) Meetings of Council and its Committees

The University Council meets on a quarterly basis and has a formal schedule of matters to be discussed based on the Council Almanac. The Council members receive appropriate and timely reports to facilitate informed deliberations and decision-making. The number of meetings and events for the Council for the period July, 2018 to June 2019 is as reflected in table 2 below:

ORGAN	ORDINARY MEETING	SPECIAL MEETING	TOTAL
FULL COUNCIL	4	14	18
ARISAC	4	1	5
FPRMGPC	5	1	6
HRC	4	-	4
ARMC	6	-	6
AD HOC	11	-	11
OTHER FUNCTIONS	19	-	19
GRAND TOTAL			69

Table 2: Summary of Council Meetings

(c) Mwongozo

Council notes that adherence to good corporate governance practices is key to effective management. The Council adopted an effective governance system as espoused in the Council code of conduct and the Mwongozo code of governance which is now the corporate governance blue print for State Corporations.

(d) Agreements/Memorandum of Understanding (MOU's)

During the 2018/2019 FY Agreements/MOUs were drafted and/or reviewed and executed with various partners. During the year, the Legal Department had reviewed fifteen (15) memorandums. The MOUs were mainly on collaborations in research, teaching, capacity building, sharing of facilities, exchange of staff and students.

(e) Legal Advice

During the 2018/2019 the Legal Office continually provided advice to Council, University Management Board and various departments, which went a long way in minimizing legal challenges to the University.

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(f) Board Evaluation

Through the State Corporations Advisory Committee there is a formal process for reviewing and evaluation the Council's performance and that of its Committees and individual Members which is externally facilitated after every year.

(g) Shared belief

The University Council and Management have a shared belief that corporate governance is a continuous process and that good corporate governance must be embedded in our culture to support our values of discipline, high moral standards and integrity which are fundamental to the long term success and sustainability of our core mandate as an institution of higher learning.

(h) Council Member's Remuneration.

The University pays members of the Council such taxable sitting allowance as may be approved by the Cabinet Secretary for Education following guidelines from the State Corporations Advisory Committee (SCAC) and Salaries and Remuneration Commission (SRC). The sitting allowance is payable when a member attends meetings of the full Council or Committees and when on official duty in and outside the Country. The summary individual members' allowances are as shown in table 3 below;

NAME	SITTING	DAILY SUBSISTENCE ALLWANCE	TRAVELLING	TOTAL
Dr. David Ojaka	948,000	1,096,400	156,500	2,200,900
CPA. Martin Nthabathia	707,500	618,800	115,208	1,441,508
Ms. Pamela Khayasi Masinde	828,000	746,200	170,708	1,744,908
Ms. Teresa Chebet Maina	780,000	821,000	424,367.20	2,025,367.20
Mr. Nicodemus Ojuma	1,000,000	582,400	193,187	1,775,587
Ms. Zipporah Kinanga Mogaka	760,000	693,600	144,208	1,597,808
Mr. Geoffrey Ouma Sheradin	860,000	800,800	117,708	1,778,508
Plnr. Duncan Mugo Ndirangu	900,000	855,400	162,708	1,918,108
Mr. Clement Odeka	36,400	30,000	80,000	146,400
TOTAL	6,819,900	6,244,600	1,564,594.2	14,629,094.2

Table 3: Individual Council Members Allowances for the Year Ended 30th June, 2019

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The Chairman of Council is paid honoraria as approved by the Government from time to time. The payment of sitting, travelling and lunch allowance is also based on the approved rates by the Government of Kenya. The University does not grant personal loans, guarantees to Council Members.

The Vice-Chancellor is an ex-official member of the council and does not draw any allowances when attending council meetings. The Vice-Chancellors gross pay for the period under review was Kshs.13,587,435/-

(i) Conflict of Interest

All Council members are required to inform the full Council of any conflicts or potential conflicts of interest they may have in relation to particular items of business; and they are required to absent themselves from discussion or decisions on those matters, unless resolved otherwise by the remaining members of Council.

(j) Internal Controls

The University Council is committed to establishing and monitoring a risk management framework and to controlling its financial activities with a view to maximizing the resources and ensuring compliance with legal and regulatory requirements. The University Council assesses the effectiveness of the Bureau's internal control systems on a quarterly basis.

(k) Code of Conduct

The University Council has Code of Conduct in line with the Leadership and Integrity Act, 2012 for which all the Council Members, management and employees are required to observe and which is also reinforced by the core values and principles of governance.

Dr. David Ojaka
Chairman of Council

Date: 21/11/2019

MANAGEMENT DISCUSSIONS AND ANALYSIS

1.0 Core Mandate of Teaching (Academic Division)

Despite the many challenges now inherent in this new operating environment, the University continued to discharge its mandate of teaching, research and outreach successfully throughout the year. This Division has two (2) sections: Academic section and Students' Affairs section.

1.1 Student Enrolment

The University admitted a total of 1789 GSSP and 182 PSSP undergraduate students in 2018/19 Academic Year. Due to the government decision to admit all candidates with C+ and above to universities, the number of Privately Sponsored Students has drastically reduced affecting the overall student population. In the 2018/2019 academic year, the University student population stood at 14,174 as indicated in Table 4 below:

Schools	Bachelor		Diploma	P/G Diploma	Masters	PhD	Total
	GSSP	PSSP	PSSP	PSSP	PSSP	PSSP	
Agri. & Biotechnology	1,227	188	56	0	61	15	1,547
Business & Mgt. Sciences	1,312	359	92	0	20	0	1,783
Economics	421	33	10	0	4	0	468
Education	4,609	1,809	260	10	32	28	6,748
Engineering	351	27	21	0	28	15	442
Environmental Studies	277	31	11	0	0	0	319
Human Resource Devpt.	0	41	72	0	0	0	113
Natural Resource Mgt	575	38	5	0	24	6	648
Science	1,859	144	0	0	68	35	2,106
TOTAL	10,631	2,670	527	10	237	99	14,174

Table 4: Students Enrolment by Level in Schools during 2018/2019 Academic Year

1.2 International Students Admitted to the University

The University received six (6) international students, 2 PhD and 4 M.Sc, through the Collaborative Training in Fisheries in East, Central and Southern Africa (COTRA). The Project is coordinated by University of Eldoret for staff and student mobility. The students are drawn from Malawi (2), Congo (2), Ethiopia (1), and Uganda (1) composed of (3) males and (3) females.

1.3 Declared Programmes Capacities 2019/2020 Academic Year

At its regular meeting of 9th January, 2019, Senate approved the declared capacities in the 32 undergraduate degree programmes to the Kenya Universities and Colleges Placement Service (KUCCPS) for 2019/2020 Academic Year. The number of spaces declared were 3830 as compared to 3870 for 2018/2019 Academic Year. Out of the 2018/2019 declared capacity, 1,789 reported to the University.

After curricula harmonization as recommended by CUE in February, 2018, thirty-two (32) undergraduate programmes were approved by senate as shown in *Table 5* below:

S/No	School	Before	After
1	Agriculture and Biotechnology	11	3
2	Business and Management Sciences	6	3
3	Economics	1	1
4	Education	8	7
5	Engineering	3	3
6	Environmental Studies	2	2
7	Human Resource Management	N/A	N/A
8	Natural Resource Management	8	4
9	Science	14	9
	Total	53	32

Table 5: Summary of Undergraduate Programmes before and after Harmonization

1.4 Graduation

The sixth graduation ceremony of the University was successfully held on 30th November, 2018. To organize this event, the university spent Kshs. 12,201,842. A total of 3,475 students graduated in comparison to 4,795 in 2017/2018 FY as shown in Table 6 below:

S/No.	School	Ph.D	Masters	PGDE	Bachelors	Diploma	Total
1	Agriculture & Biotechnology	7	20	1	454	90	572
2	Business & Management Sciences	-	10	-	460	60	530
3	Economics	-	-	-	70	1	71
4	Education	15	13	2	1127	99	1257
5	Engineering		2				2
6	Environment Studies	8	3		110	5	126
7	Human Resource	-	-	-	3	37	40

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S/No.	School	Ph.D	Masters	PGDE	Bachelors	Diploma	Total
	Development						
8	Natural Resource Management	2	6	-	169	-	177
9	Science	7	14	-	678	2	701
	Total	39	68	3	3071	294	3475

Table 6: The 2018 Graduands by School and Level



Figure 3: A graduand being conferred a doctor of philosophy degree at 6th graduation ceremony by the Chancellor

1.5 Library

During the 2018/2019 Financial Year, the library purchased 520 book titles and received donations of three years' National Economic Reports. The Library also subscribed to 45 online journals that contain information of databases or published journals including Research Africa. These resources are available to library users through the wireless network within the University Network. The UoE Digital space is now online with uploaded abstracts. However, plans are under-way to have the policy approved so that the full Texts can also be

uploaded online. The library also purchased bindery equipment to facilitate post graduate thesis binding and repairs of books.

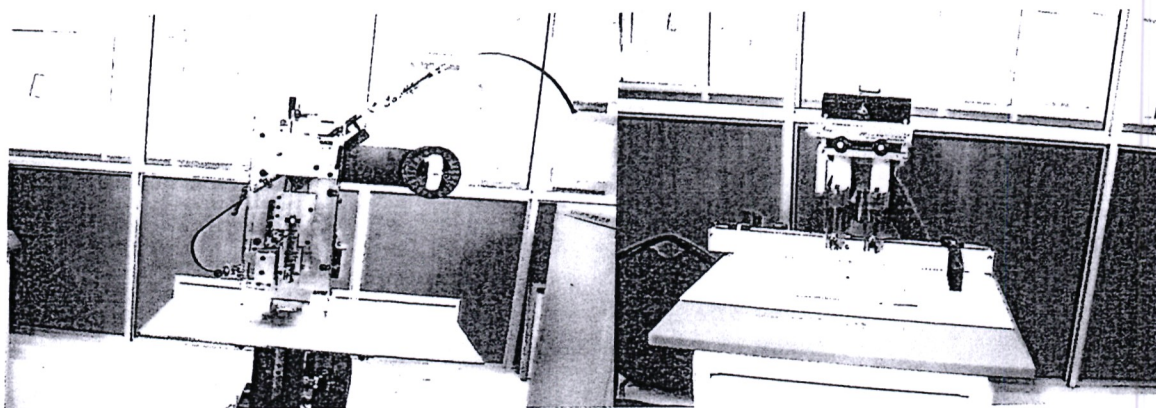


Figure 4: The new drilling and wire sticker bindery equipment

1.6 Students' Leaders Symposium, Conferences & Presidential Award Programme

The office of the Dean of Students organized a one-day symposium which was held on Saturday, 2nd March, 2019. The former students' leaders who had served since the award of charter, officials of the Alumni Association (UOE AA) and current student leaders were invited. This was to facilitate networking and placement opportunities. The Symposium was carried out successfully at the cost of Kshs.582,800.00.



The East Africa student leaders' conference was held from 25th February, 2019 to 1st March, 2019 in Arusha, Tanzania. The Dean of Students and four (4) students' leaders attended at a cost of Kshs.332,809/=. The chief guest was Robert Kyagulanyi Ssentamu alias Bobi Wine from Uganda. The objective was to enhance students' leadership skills.

Figure 5: East Africa Student Leaders Conference Participants

Further, a total of thirty-nine (39) students participated in the President's Award (PA) Programme. The PA programme gives young people an opportunity to

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improve them in life skill training and community service. These students were invited to attend the President's Award presentation ceremony on 20th March, 2019 at State House. Chepng'eno Brenda (CSE/008/14) received the Gold Award certificates from His Excellency the President on behalf of the other awardees. The University funded the travel to State House for the award ceremony at Kshs.247,960.00.

1.7 Cultural, Beauty Pageant Week 2019 and Sports

The University of Eldoret students' Cultural Week and Beauty Pageant took place from 11th to 16th March, 2019. This brought students together to share their diversity, interest, fashion, taste and beauty among other attributes. During this time, students get an opportunity to appreciate their commonality through culture and individual presentations. The cultural part involved cultural exhibitions from students displaying cultural song and dance, artefacts, traditional foods and wares from Maasai, Agikuyu, Luo, Pokot, Kisii, and Luhya among others. The Maasai emerged the winners with the Agikuyu and Kisii cultures taking the first and the second runners-up positions respectively. For the beauty pageant show, there were two categories; Mr. & Miss UOE, Mr. Flex and Miss Curvy.

Games and sporting activities for the students have been generally uninterrupted and students have participated in most major tournaments.

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2.0 PLANNING, RESEARCH AND EXTENSION

2.1. Research

The University in line with statutory requirements allocated 2% of operation funds for research and innovation totaling to **Kshs.10 million** in the year 2018/19 FY budget. The funds were spent as shown in Table 7 below:

Activities	Amount	%
Annual Research Grants disbursed 2018/19	6,327,150.00	68.4
Fund staff and to attend conferences	1,270,600.00	13.7
University Journal publications	600,000.00	6.5
Dissemination of research outputs through public lectures	606,850.00	6.5
Support innovative research in priority areas	450,000.00	4.9
Total	9,254,600.00	100

Table 7: Research Funds Usage

At the beginning of the year, data was collected on research projects from 2013 to 2018 from faculty to give a picture of the potential of research activities at the University. The information was to be used to populate the University website with a view of improving the ranking of our institution. Results revealed that a total of 92 research projects had been conducted at the University with a total of 54 being active and ongoing. The number of projects varied with School of Science having the highest (16), followed by School of Agriculture and Biotechnology (8), Schools of Natural Resource Management and Environmental Studies tying at 7 with others contributing the rest. As of December, 2018, fourteen 2017/2018 UoE funded projects worth **Kshs. 9,005,000** were still ongoing and externally funded projects were estimated at **Kshs. 192,575,897**.

A workshop on development of bankable research/project proposals for staff and postgraduate students was conducted on 7th and 8th February, 2019 at the University of Eldoret, Education Complex. Over 100 staff members participated

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in the training. The purpose of the training was to build the capacity of staff and postgraduate students to be able to write bankable research proposals which would lead to an increase in research funds and publications arising from research findings. The workshop, facilitated by both internal staff and external resource persons from Commission for University Education, Maseno University and a visiting Professor from South Africa was very successful.

During the 2018/2019 FY, we had four Public Lectures as follows;

- (i) On 10th January, 2019 the first public lecture on '**Ethics in Research**' was delivered by Dr. Leonora Anyango-Kivuva, currently teaching at the Community College of Allegheny County in Pittsburgh, Pennsylvania and a Faculty Fellow at the Honors College, University of Pittsburg.
- (ii) On 21st February, 2019 a public lecture was delivered by Dr. Salome Guchu, C.E.O Kenya National Innovation Agency (KENIA), on the '**Role of Innovation in National Development**' and was attended by University Management Board and over 300 other participants. Before the public lecture, the guest from KENIA had an open discussion with School Research Committees and Board of the Directorate of Research and Innovation. This provided an excellent opportunity for the university leaders in Research and Innovation to engage and seek clarification on various aspects which was of benefit to our University.
- (iii) On Thursday 20th June 2019, a public lecture was delivered on "**Sustainable Management of Fall Armyworm in Africa**" by Dr. Stephen N. Mugo, a Principal Scientist and CIMMYT Regional Representative (CRR) for Africa. Prior to that, a farmers' exhibition on Corn *Silage Making and Maize Lethal Necrotic Disease* was held outside Kerio Hall at the University. The exhibitors were Mr. Ghulam Mustafa (MBA, BSc. Animal Health)-Forage Crop Development Manager with CORTEVA Pakistan and Dr. Haron Karaya (PhD). Lead Scientist and plant breeder - CORTEVA Eastern Southern Central Africa. The activities were implemented courtesy of CORTEVA Kenya who were the platinum sponsors of the University of Eldoret Agribusiness Trade Fair in 2018 and 2019.

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- (iv) On Friday 28th June, 2019 a public lecture on “**Breaking the barriers between Disciplines: Religion and Science**” was delivered by Prof. Eunice Kamaara, National Board Member of Christian and Scientific Association of Kenya (CSAK).

2.2. Innovation

Innovation is the development of new ideas that lead to the creation of a new products, processes or services. The goal of innovation is to use money to bring new ideas to invention and eventually commercialization to solve societal problems and improve the quality of life. As a commitment to achieving the president’s ‘Big Four Agenda’ and the Vision 2030, the university held an innovation week from April 4 – 5, 2019 at the Outreach and International Students Center themed “**The Role of Innovation in National Development**”. The innovation fair provided an opportunity to 24 UoE innovators and 12 Herbalists from North Rift Herbalist Group to showcase their various innovations aimed at solving societal challenges. Approximately 500 participants attended the event. The top 3 were awarded and the School of Engineering emerged the best overall. Each of the top three innovators and the best school were presented with a revolving trophy as detailed in table 8 below:

Name of Innovator(s)	Title of Innovation	School	Mean Score (%)
Eng. Clement K. Kiptum, Alex Maunda, Judith Jebichii, Makau	Software to design concrete elements for Artisans in Kenya	SENG	79.5
Ms. Monica Yator	Formulation of dairy diet using seed processing waste	SAGR	64.5
Mr. Mundia Kelvin Waruguru, Ian Adams Kelly	Average consumer store	SEDU	64.5
Ms. Lynnette M. Oimbo	Use of Niger plant and its extracts in the management of weeds	SAGR	60.75

Table 8: Top Three Innovators and Best School

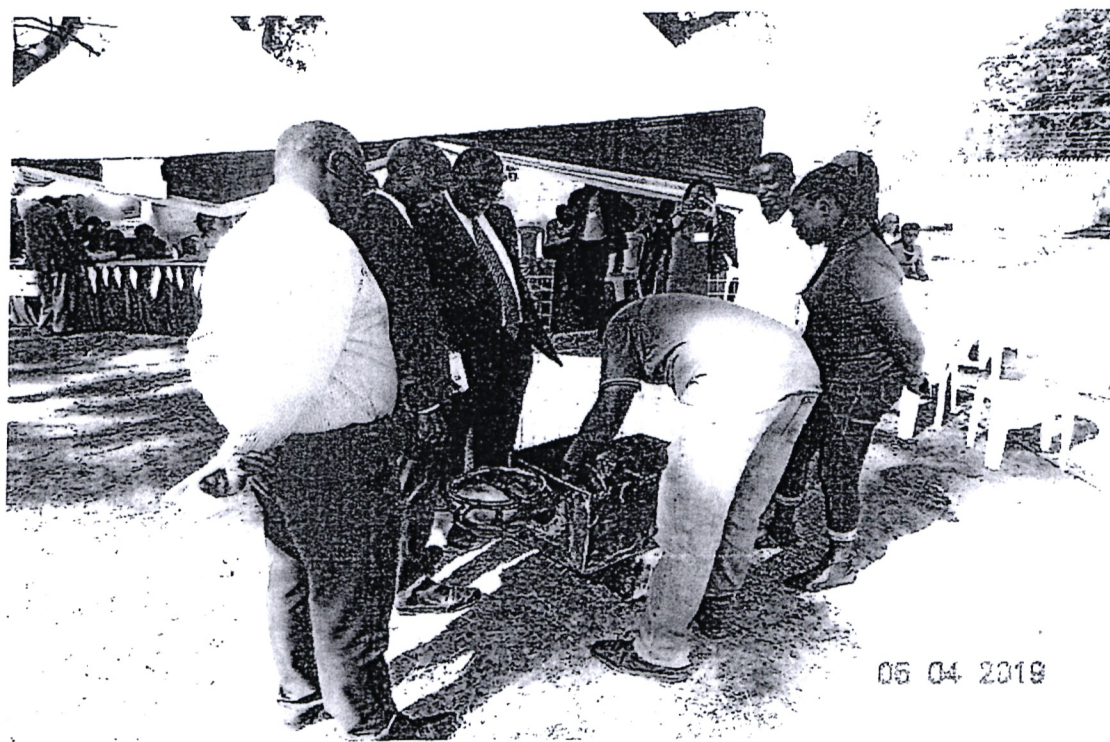


Figure 6: Formulation of dairy diet using seed waste

2.3. Annual Research Grant

The call for proposals was made on 5th January, 2019 and was opened until 31st January, 2019. The fund was meant to support adaptive research addressing the BIG FOUR AGENDA on Affordable Housing, Universal Health for all, Manufacturing and, Food and Nutritional Security. A total of 21 proposals were received and a review process took place on 28th and 29th March, 2019 at UoE Town Campus where each proposal was reviewed by 3 reviewers. The review report and the winning proposals were presented to the Research and Innovation Board, and University Management Board. The University availed **Kshs.3,850,000 million** to fund the following research projects as shown in Table 9 below:

#	Principal Investigator	Category	Cost
1	Eng. Dr. Ahmed Swaleh	Manufacturing	725,000.00
2	Eng. Dr. Clement Kiptum	Affordable housing	625,000.00

#	Principal Investigator	Category	Cost
3	Dr. Abigael Otinga	Food Security	800,000.00
4	Prof. Gelas Simiyu	Universal Health Care	900,000.00
5	Dr. Ouma Peter Ooko	Cross Cutting Issues (Education)	800,000.00

Table 9: University Funded Research Projects

The awarding and signing of agreements for the Annual Research Grants took place on Wednesday 12th June 2019 in the Council Boardroom.

2.4. Conferences and Workshops

Members of academic staff attended various national, regional and international scientific conferences and exhibitions in order to communicate scientific information. They participated in a total of 43 workshops and conferences in the financial year. Some of these include:

- i) **The Leadership Conference in Ghana**
- ii) **5th International Interdisciplinary Research Conference** at Mount Kenya University, Thika from October 17th - 19th, 2018. This is an annual conference organized by a consortium of Universities including University of Eldoret, Kyambogo University (Uganda), Mount Kenya University (Kenya) and Ochukuemeka Odumegwu Ojukwu University (Nigeria). A delegation of about 22 students and 12 staff participated in the conference.
- iii) **The RUFORUM Biennial Conference** which was held in Nairobi from October 22nd -26th, 2018. Thirty Scholars and students from the University of Eldoret presented oral and several poster presentations. The conference also offered several training and consultative fora for Deans, Vice Chancellors, and postgraduate students among others.
- iv) **The International Sustainable Blue Economy Conference** in Nairobi from 26th to 28th November, 2018 where we also presented an exhibit at the Science and Research Symposium. The conference, which was convened by H.E. President Uhuru Kenyatta, was predicated on two conceptual pillars of 1). Sustainability, Climate Change and Controlling

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Pollution. 2). Production, Accelerated Economic Growth, Jobs and Poverty alleviation. The theme of the conference was “Blue Economy and the 2030 Agenda for Sustainable Development”. Two professors of Fisheries from the university presented Keynote addresses at the conference.

- v) **Workshop on ‘Aquaculture in Lake Victoria: Challenges for the Industry.’** The workshop on *Aquaculture in Lake Victoria; challenges for the industry*, was held on 9th and 10th May, 2019 in UoE at the Education Complex. Focused on the challenges of aquaculture industry in Kenya, the workshop highlighted potential risks to its sustainability including risks to livestock production, animal and human health, food security and environment. It was attended by collaborating institutions such as University of Eldoret, The University of Nottingham, Kenya Marine and Fisheries Research Institute and the British Geological Survey with both presenters and participants. Participants and presenters from other institutions including Centre for Ecology and Hydrology, Jaramogi Oginga Odinga University of Science and Technology, Jomo Kenyatta University of Agriculture and Technology, and Catholic University, County were recorded.

2.5. Publications

The faculty made a total of 141 publications in 2018/2019 FY. The details on the number of publications per school is presented in the figure below; -

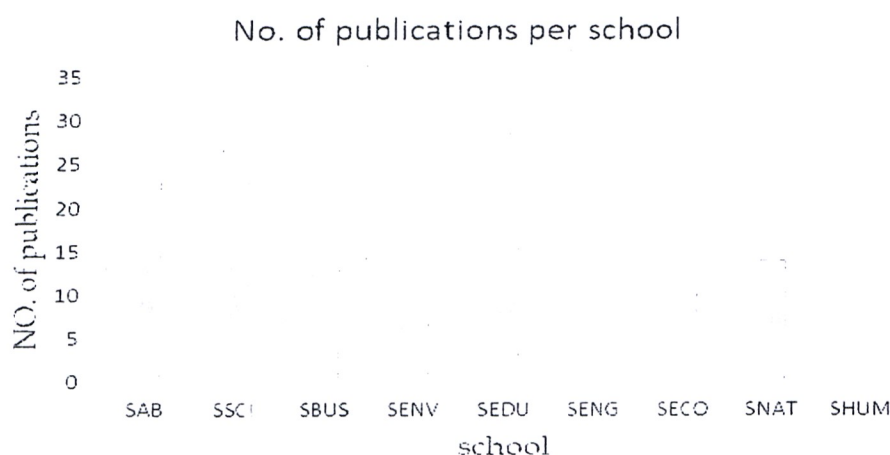


Figure 7: No of Publications per School

2.6. Launch of the 3D Master Plan and Strategic Plan Mid-Term Review Report

The 3D Master Plan for the University, and Mid-Term Review Report of the 2014-2019 Strategic Plan were launched on Thursday 20th September, 2018 at the Kerio Hall, University of Eldoret Main Campus. The 3D Master Plan which is a blue print to guide the physical plan of the University for the next 57 years was launched by Amb. Prof. Bitok, while the 2014-2019 Strategic Plan Mid Term Report was launched by the Chairman of Council, Dr. David Ojaka. The two functions were attended by all members of the Council, the University Management Board members, Senate, and representatives of the Students Governing Council, members of KUDHEIA, KUSU and UASU staff unions.

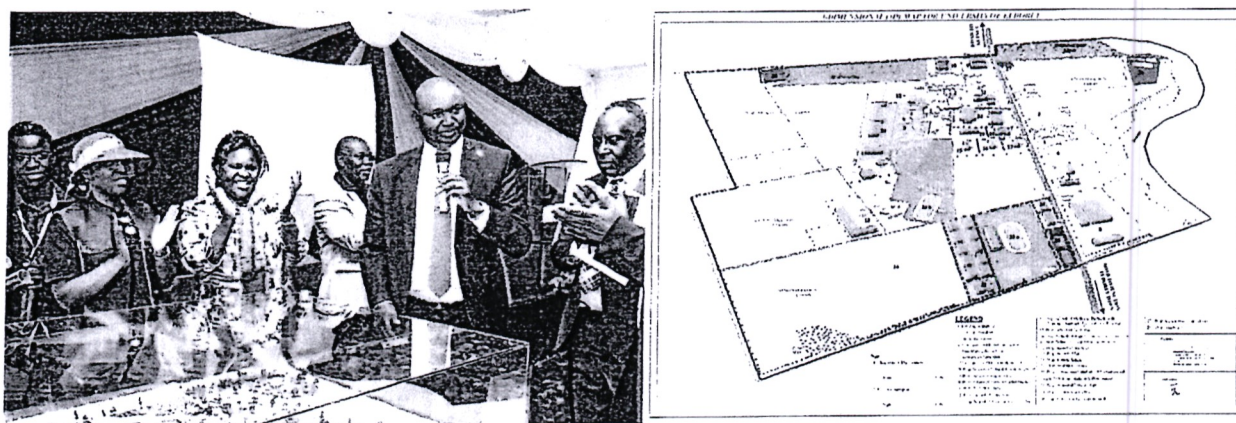


Figure 8: Launch of 3D Master Plan

The End of Term Review of 2014-2019 Strategic Plan was conducted to take stock of achievements by the University during the planning period. The Strategic Planning Committee appointed in 2018 spearheaded the activity. The committee consulted widely with internal stakeholders to authenticate the findings on the status of achievement of the set targets. A comprehensive report was compiled which was very instrumental in informing the development of the new 2019 - 2024 Strategic Plan.

The development of the new 2019-2024 Strategic Plan is complete. Internal stakeholders involving all schools, departments, and units provided an input into the new Strategic Plan. This was followed by external stakeholders' consultations forum to get views on all the aspects of the proposed strategic plan. The forum was attended by 360 participants including representation from state Ministries of University Education & Research, The National Treasury, other

universities, County governments and the regulator, Commission for University Education.

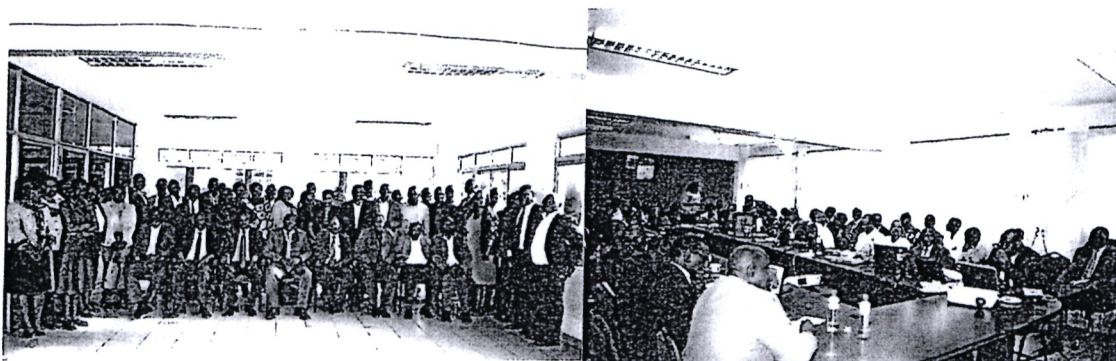


Figure 9: Stakeholders Consultation Forum

2.7. Performance Contracts

The Performance Contracts for this reporting period were negotiated on 9th July, 2018 in Nakuru and vetting done between 8th and 10th August 2018 in Kisumu and the approved PC was signed by the Chairman of Council. The same was cascaded by the Vice-Chancellor to the relevant officers who cascaded the contracts further. Quarters 1, 2, 3 and 4 reports were submitted in time as per the government requirements. As at 30th June almost all the targets were achieved except in areas where extraneous, conditions prevailed.

2.8. Outreach and Extension Activities

i) Agribusiness Trade Fair

The University hosted the annual Agribusiness Trade Fair 2018 from 20th to 22nd September, 2018 at the University of Eldoret Main Campus. The theme was “*Enhancing Food Security through Technology and Trade in Agriculture for National Growth*”. This fair was part of the performance contract contributing towards the achievement of the “BIG FOUR” AGENDA. Sponsored by eight (8) companies/institutions and University of Eldoret. The fair was aimed at building capacity to farmers, networking as well as enhancing food production. Twenty-six (26) companies conducted exhibitions during the fair. Major highlights of activities during the fair included touring of exhibition stands and demo plots; speeches by guests and sponsors at the pavilion; agri-tech talks; large scale farmers’ forum; ploughing contest, animal and machinery parade; trophy

presentations; Auction; and raffles. A dinner party was hosted for sponsors, exhibitors, UMB and organizing committee on September 21, 2018. This activity attended by 165 people provided an opportunity for immediate feedback.



Figure 10: Agribusiness Trade Fair

A total of 38,406 people attended the fair with youths (51.32%) being the majority. Male participants accounted for 55.2% while 33.1% represented Female participants. 11.74% of the total population was undefined in terms of gender since they used Vehicles.

Gender	Adults	Youths	Students	Children	Undefined	Total
						21183 (55.2%)
Male	5359	12654	1453	1717		
						12716 (33.1%)
Female	2618	7047	1782	1269		
Total	7977	19701	3235	2986	4507(11.7%)	38406
(%)	20.77	51.32	8.4	7.77	11.74	100

Table 10: Summary of the Total Attendants in the Agribusiness Trade Fair 2018

The actual amount of income received was Kshs.8,776,000. This led to a deficit of Kshs.224,000. The University contributed Kshs.3,000,000,

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Exhibitors contributed Kshs.1,916,000 and the main sponsors donated Kshs.3,850,000 for this activity as shown in the table below;

INCOME	Actual (Kshs)	Budget (Ksh)
University of Eldoret	3,000,000.00	3,000,000.00
Main sponsors	3,850,000.00	3,000,000.00
Exhibitors	1,916,000.00	3,000,000.00
TOTAL	8,776,000.00	9,000,000.00

Table 11: Contributions

ii) Schools Visits to the University

The University offers free service to primary, secondary and colleges who visits the University to be enlightened on different aspects of university education. This also helps to motivate the students to aspire to work hard and obtain university education. In the reporting period, the university received **91 schools** with a total of **5,601 students**. These came from primary (12), secondary (72) and Colleges (7) respectively.

The majority of the institutions came from Uasin Gishu (25), Nandi (18) and Kakamega (12) Counties. However, in total we were visited by schools from 10 counties.

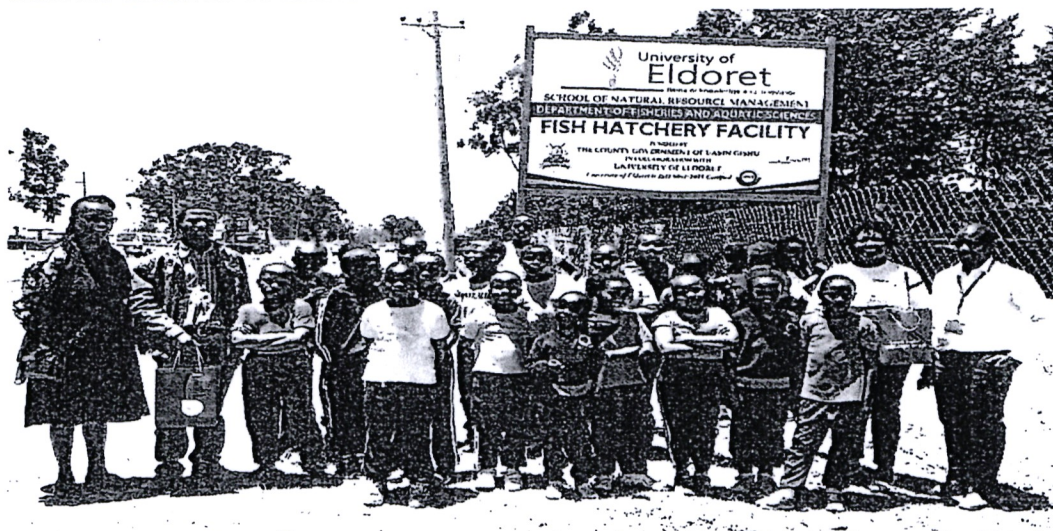


Figure 11: A Visiting School at the University Fish Hatchery Facility

The three most popular sections visited by the students include the University Library (85), Farm department (79) and Fish farm (68). Majority of the schools (98%) conveyed positive remarks. Comments such as well received, hospitable, satisfied, well served, nice experience, nice reception were noted in the school visits record book.

iii) Annual Cross Country

On 20th Oct, 2018 University of Eldoret Annual Cross Country Championship was held at the University Sports Pavilion. The event which is part of the National calendar of Athletics Kenya (AK), was sponsored to a tune of Kshs.852,000.00 by the main financial sponsors with others sponsoring the event in kind. The races categories included: 10 km Senior men; 10 km senior Women; 10 km University men; 10 km University women; 8 km Junior men; 6 km Junior Women; Over 45 years Women (Senior Citizen); over 50 years' men (Senior Citizen); Children under 6-9 (Girls); 10. Children under 6-9 (Boys); 11. Children under 10-14 (Girls); 12. Children under 10-14 (Boys). The event was graced by the Chief guest, Lt. Gen (Rtd) Jackson Tuei President AK - represented by Patrick sang; Mr. Gerald Gitonga Commissioner for sports -represented by Director from the Sports Ministry.



Figure 12: Annual Cross Country 2018

iv) Annual Cultural Week Meeting in Tot, Elgeyo Marakwet

(North Rift) Annual Cultural Week for Peace and Development at Tot, Elgeyo Marakwet. The activities involved Public Barasa at Chesogon Market and Kolowa, tree planting for peace, Exhibitions at Tot AIC Church grounds with the climax celebrations at Tot Primary School. The team visited 3 secondary schools and talked to the students popularizing the programs at the University of Eldoret. The schools visited include

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Kerio Valley High School, Tot High School and Liter Girls High School. Promotional materials were also given to Queen of Peace Chesongoch Secondary school and Ishmael Chelang'a High School. During the celebrations, the University set up a tent which was used to distribute university brochures. We also had an opportunity to address the huge crowd and highlighted the University of Eldoret contributions to society and collaborative activities the University is willing to support in the region. The chief Guest at the function was the EMC Governor represented by his Deputy Mr. Wesley Rotich.

v) Visit to West Pokot County

A team of University of Eldoret staff visited and attended West Pokot Education Day (Thanksgiving Ceremony) cum fundraising for the Kapenguria Town View Academy which is the best performing Primary School in West Pokot. Before the ceremony, the team met the representatives of the county leadership lead by the Women Representative Hon Lillian Tomitom, MP for Sigor, Peter Luchakapong', MCA's and other community leaders at Horizon Hotel in Makutano where areas of collaboration were discussed. At the school compound, the team pitched up a tent that was used to distribute brochures. The team had an opportunity to address the congregation to popularized UOE as the University of Choice for the county's societal needs. As a response, a committee was set up to work on an MOU to formalize engagements with the county.

vi) Coffee House Meeting at the Outreach Centre

The Coffee Directorate from Nairobi identified the University of Eldoret's Outreach Centre as a potential hub for a coffee house. The directorate offered to donate two 50 kg bags of coffee and to train a coffee barrister to start off the project. This project is meant to be an income generating activity since the coffee will be sold to the members of staff, students and travelers. The coffee house is also intended to be a good stopover and relaxation spot for both internal and external stakeholders.

vii) Fish Farmers Training

One of the core objectives of the Department of Fisheries and Aquatic Sciences is to contribute to the transfer of aquaculture technologies to over 1000 fish farmers per annum through outreach, extension and incubation

services. Through support from the AquaFish Lab Innovation Project - Kenya Chapter, a fish farmers training was conducted to empower farmers within Uasin Gishu County with appropriate pond Construction, repair and management skills. The 10-day training was conducted at the UoE fish Farm as from 25th April to 9th May 2019. The trainee consisted of 20 farmers from Uasin Gishu County (among them 8 youth, 3 women and 9 Males), eight students on attachment and six fish farm staff.

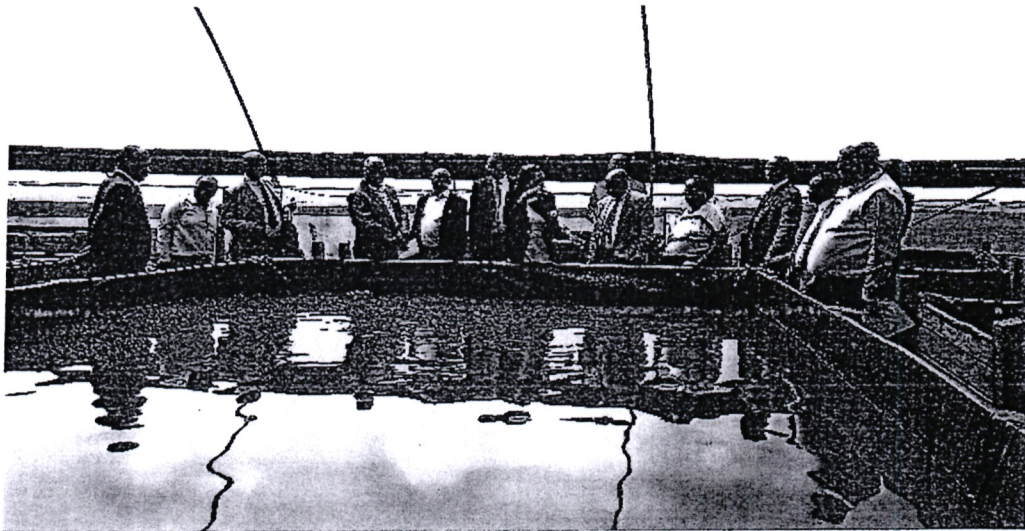


Figure 13: Fish Farmers Training

viii) Outreach to Farmers in West Pokot

This outreach activity to farmers and other local communities covered environmental conservation and food security during the Farmers Field Day which was attended by the Governor, senator and local MP's from West Pokot County.

ix) A meeting with Kenya Forest Service (KFS)

A meeting with the Kenya Forest Service took place on Friday 7th June 2019. This was to partner with the institution in support of the national goal of achieving 10% tree cover by 2022.

x) The Collaborative ENABLE Incubation Project

The ENABLE project is unique collaborative project between selected institutions of higher learning, industry and Ministry of Agriculture. The main objective of the UoE YABIC is to develop a self-sustaining integrated production systems diversification where losses could be cushioned to

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keep the youth in business by minimizing losses. The program involves recruitment, training, incubation of ideas and fund for selected agribusiness. Agricultural finance cooperation (AFC) will provide the funds to the youth. The 5 value chains identified as potential activities for the youth in the YABIC are; Dairy, fisheries, mushrooms, oil crops cereal processing and cereal crop processing.

University of Eldoret and the Ministry of Agriculture signed a Memorandum of Understanding (MoU) in order to collaborate and host a Youth Agribusiness Incubation Center (YABIC). The signing and the exchange of the MoU was conducted on Thursday April 18, 2019 at the Ministry in Nairobi. The Ministry was represented by the Principal Secretary, State Department for Crop Development while UoE was represented by the Deputy Vice-Chancellor (Planning, Research and Extension).

xi) LEAP_AGRI Kickoff Workshop

University-based Community Action Research for increasing viability of cereal-legume value chains towards improved nutrition and livelihood in Sub- Sahara Africa (UniCARSSA) is a project funded within the framework of 'LEAP-Agri' which is a partnership of 19 European and African countries and the EU. This partnership is aimed at research and innovation for food and nutrition security as well as sustainable agriculture, including aquaculture and was endorsed by the EU-Africa Summit 2014. The kickoff workshop was held at the University of Eldoret's Outreach Centre between the 4th and 9th of November 2018. The workshop was attended by all the four partners and graced by members of the University of Management.

xii) Youth in Agribusiness Open Day

The Outreach Center hosted a youth in agribusiness open day (YAOD) during the week of 25th June to 1st July, 2018. The objective of this open day was to create business linkages between stakeholders and the youth engaging in farming activities using SWS in the sub-counties. Members of youth groups (Plate 5) drawn from the now defunct '*Vijana na Acre*' initiative project in the county database were invited to participate.



Figure 14: *Participants attending the UG_IAP Youth in Agribusiness Open Day at the Outreach and International Students' Centre, University of Eldoret*

xiii) Large Scale Farmers Forum Meeting

The division organized the forum on 20th August, 2018. The objective of the event was for the University to engage the large-scale farmers in the region and to brainstorm in ways that they can be involved in the annual event while seeking opportunities for future collaborations. Engagements centered on the activities and mandate of the five institutions (UOE, Coteva Agriscience, Agrochemicals, the Dairy Industry, Agribusiness sector) and ways in which they can contribute to achieving food security in the Country and region. Issues discussed included agriculture as a business; economies of scale to be considered in agribusiness; mechanization of agriculture and the benefits thereof; use of new and innovative agricultural technologies such as precision agriculture for increased production and handling emerging issues such as climate change.

xiv) Uasin Gishu County Farmers' Field Days

The 2018-2019 activities for the OISC culminated in three (3) Field Days (FD), that were organized in collaboration with the SNV's SWA programme and UG_IAP and its stakeholders. The FDs were held in three (3) separate locations namely:

- Ainabkoi Sub County, Kongasis -14th November, 2018.
- Kapseret Sub County, Kapteldon -16th November, 2018., and
- Turbo Sub County, Chepkoilel -25th January, 2019.

The events were graced by 'Agric sector' stakeholders showcasing their various activities. The OISC had a stand alongside the UG_IAP members during the events. The OISC, besides planning for the FDs, also concentrated on popularizing some of the current and forthcoming activities through discussions with farmers, other stakeholders, and through issuing of brochures. Another important activity during the FDs was also to create linkages among farmers; stakeholders and other agriculture sector players. Also, farmers were talked through the current projects at the centre, including the Uasin Gishu SWA-IAP activities and objectives



Figure 15: Farmers learning about proper management of horticultural vegetables at Ainabkoi Field Day

xv) **UG_IAP KUSCCO Workshop**

This event was organized under the UG_IAP project under the SWA program on 20th November, 2018 in Winstar Hotel, Eldoret. The event was done to bring on board SACCOS into the UG_IAP to support farmers' agribusinesses. Therefore, Kenya Union of Savings and Credit Co-operatives (KUSCCO), a partner in the SWA program was brought on board to facilitate the training of farmers on access to finance. As the voice and lobbyists for Savings and Credit Cooperatives in Kenya, the KUSCCO have been at the forefront of efforts to form and develop strong and viable Savings and Credit Co-operatives (SACCO's). Some key stakeholders in irrigation that have been involved in farmer training in the UG_IAP were invited to showcase their technologies in the event.



Figure 16: A training session in progress during the KUSCCO Seminar at the Winstar Hotel, Eldoret.

xvi) **Aquaculture Pre-Coop Seminar**

This event that was organized by Department of Fisheries and Aquatic Sciences and hosted at the OISC on 7th December 2018. The objective of the event was to enlighten farmers and University students aspiring to become farmers on the importance of cooperatives in aquaculture. The event was organized to enlighten aquaculture farmers on the need to form or join existing cooperatives for easy marketing of their products, access loans and inputs, table banking etc.

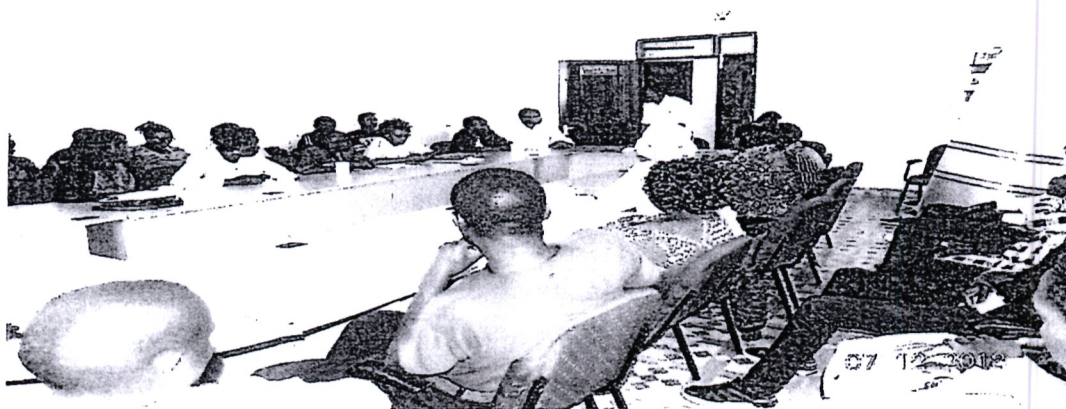
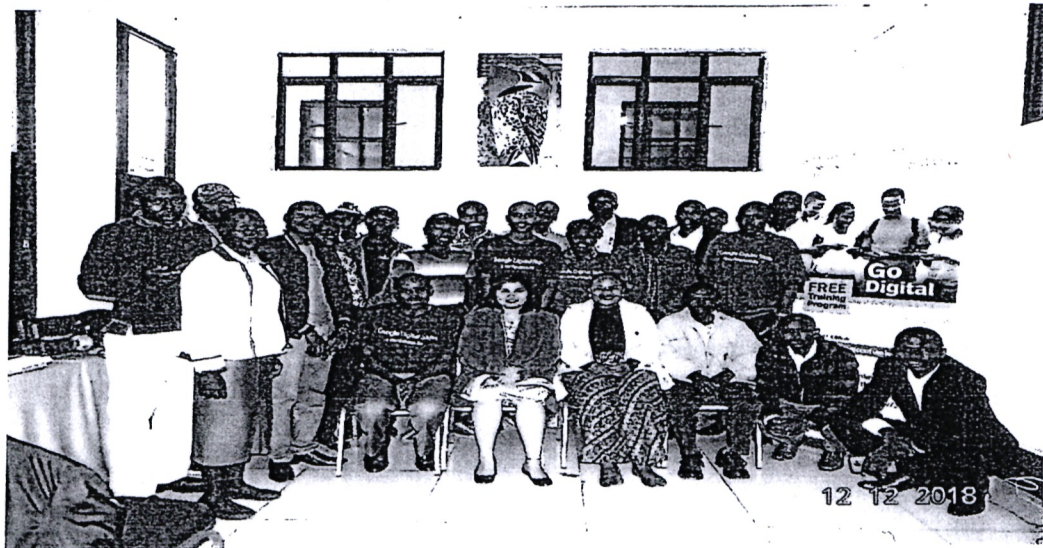


Figure 17: A training session in progress during the Pre-Coop Seminar at the OISC

xvii) Digital AFRICA: - Workshop Training on the Google Digital Skills for Farmers.

Google Digital Training initiative was targeted at African youth in the age group of 18 – 35 years and the objective was to help the youth develop entrepreneurial skills through training on tools to be used for building online presence, content creation, web design, social media and app development. The workshop took place on 12th December 2018 at Comfy Hotel, Eldoret. Many Youths have benefited from the program and there is need to reach out to other groups and train them on Digital Skills since Farmers are vital in the growth of the economy.



A group photo for participants during the Google Digital Skills Training at Hotel Comfy, Eldoret on 12/12/2018.

2.9. Collaboration and Partnerships

Signing of MoU for Enable Youth Program between UoE and the Ministry of Agriculture

The ENABLE Youth, an agribusiness incubation program is co-funded by African Development Bank and the Government of Kenya through the Ministry of Agriculture. The objective of the program is to create gainful employment and generate income for the youth. The program will encourage growth of sustainable commercially viable agribusiness Small and Medium Agricultural Enterprises (SMAEs) by supporting the development of well-structured agribusiness projects, providing financial products, agribusiness ventures, market access, capacity development, risk management and networking.

University of Eldoret and the Ministry of Agriculture signed a memorandum of understanding (MoU) in order to collaborate and host a Youth Agribusiness Incubation Center (YABIC). The signing and the exchange of the MoU was conducted on Thursday April 18, 2019 at the Ministry in Nairobi. The Ministry was represented by the Principal Secretary, State Department for Crop Development while UoE was represented by the Deputy Vice-Chancellor (Planning, Research and Extension).

College of Health Sciences

The university intends to establish a College of Health Sciences (CHS). In line with this, the University visited Nandi County on February 27, 2019 and Elgeyo Marakwet County on February 28, 2019 and negotiated the Memoranda of understanding (MoUs) with the two counties. Other counties visited include West Pokot, Trans Nzoia and Uasin Gishu. The negotiations were conducted by the committee appointed by the University lead by two consultants and respective county officials. So far four MOU's are finalized and one with Elgeyo Marakwet is already signed. Others will be signed when convenient dates for the CEO's of partner institutions are agreed on. School of nursing will be started first and a committee lead by a Nursing Consultant has been appointed to come up with 2 curricula.



Figure 18: West Pokot Governor, Prof John Lonyangapuo poses for a photograph in front of his office with the planning committee.

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The University signed a Memorandum of Understanding (MoU) with Elgeyo Marakwet County to set up a Medical School at Iten County Referral Hospital on 15th, March 2019. A similar MoU with Nandi County will be signed on a later date to fast-track the establishment of the College of Health Science.

The MoU had specific objectives which aims at offering unique courses to students to enable them graduate in Degree and Diploma Programmes in Health Sciences, promote collaborative research in health-related matters, conduct collaborative consultancy in health-related matters and carrying out promotive and preventive health-care among the people through community outreach.



Figure 19: Vice-Chancellor Prof. Teresa Akenga and Elgeyo Marakwet Governor H.E Eng. Alex Tolgos after signing of MoU

The University of Eldoret was identified as a Youth Agribusiness Incubation Center and signed MoU with State Department for Crop Development. The MoU will facilitate the University to conduct agribusiness incubation for youth who are aged between 18-35 years for a minimum period of three (3) months and a maximum of twelve (12) months within the NOREB counties.



Figure 20: Signing of the MoU by the Ag. Principal Secretary State Department for Crop Development H.E Prof. Hamadi Boga witnessed by the University Deputy Vice-Chancellor (PRE), Prof. Phillip Raburu and Prof. Julius Ochiudho (YABIC Focal Person-UoE)

In the quest of establishing the College of Health Sciences, Committee members from the University of Eldoret led by the Deputy Vice-Chancellor (PRE) Prof. Phillip Raburu engaged in the Final Pre-Contract agreement with members from the County Government of Nandi led by their Governor H.E Hon. Stephen Sang on Wednesday, 22nd May 2019.

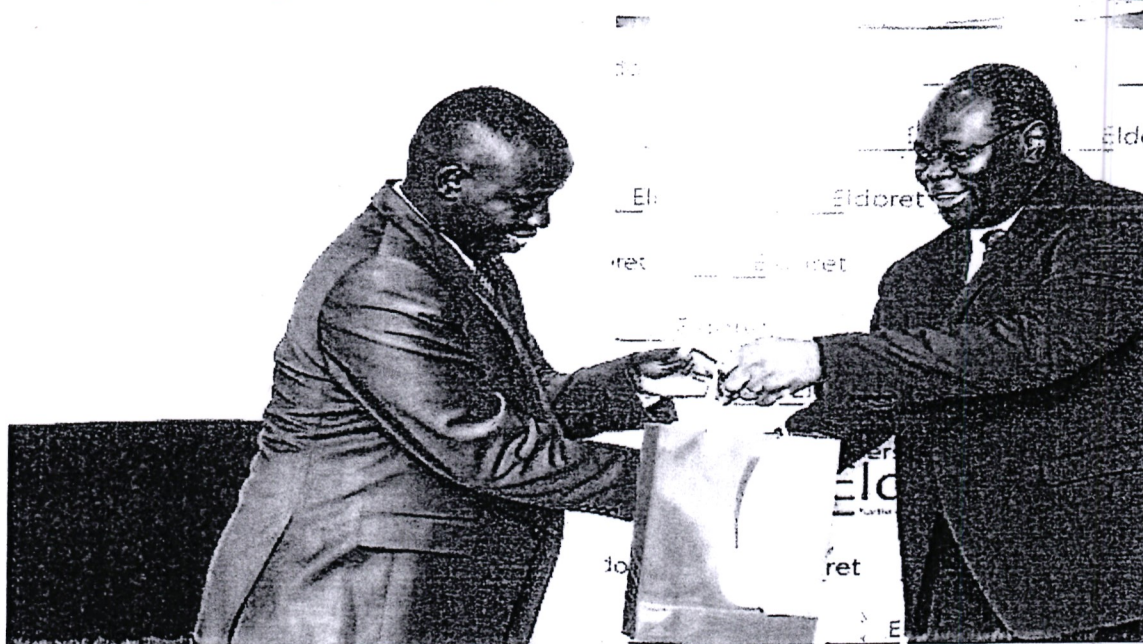


Figure 21: University Deputy Vice-Chancellor (PRE), Prof. Phillip Raburu and Governor H.E Hon. Stephen Sang

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The University of Eldoret entered into a partnership agreement with the University of New South Wales Sydney (UNSW) that will run for three years starting August 2020. The MoU between UNSW and UoE was signed by Prof. Teresa Akenga, Vice-Chancellor UoE and Prof. Ian Jacobs, the UNSW Vice-Chancellor and President. The MoU signing was witnessed by the Kenyan High Commissioner to Australia and New Zealand, H.E. Mr. Isaiya Kabira. The first collaborative training under this MoU will be the short course 'Integrated Regional and Transnational Water Resource Management'. The course is aimed at building the capacity of managers across the African region dealing with water resource management.

CORTEVA Agriscience Meeting

Corteva Agriscience is a joint partnership between Pioneer and Pannar Seed Companies. The Country Manager of Pannar Seed Co. Mr. Humphrey Kiruaye visited the University on February 14th, 2019. The meeting was dedicated towards discussing key issues with regards to Agribusiness Sponsorship, Allocation of Demonstration Plots and attachment and internship opportunities for our students among others. Pannar Seed Co. is the lead sponsor of Agribusiness Trade Fair.

Meeting with Higher Ed. Partners on Hosting E-Learning

Two meetings were held with the representatives from Higher Ed Partners (HEP), a consulting company which provides services to universities to enable them to offer such courses, degree programmes and other programmes online. The partnership with Higher Ed Partners will help turn the university to a better academic and financial future by substantially increasing academic partnerships, enrollment, and retention to graduation of students, generation of flexible stream of income and consequently improving the university's rankings both nationally and in the region. The engagements are going on to come up with an MOU to actualize these activities.

University of Eldoret-Hosted Intra-Africa Mobility Projects

The University is hosting two Intra- Africa Mobility Projects SCIFA and COTRA where the University is collaborating with several international institutions of higher learning in Africa and Europe. Funded by the European Union, the projects have awarded scholarships for postgraduate students to undertake studies in the courses they applied for in the five partner institutions. The mobility projects commenced in January 2019.

Equity week

This function was held at the University of Eldoret and was attended by the Governor Elgeyo Marakwet County Eng. Hon. Alex Tolgos, Chairperson Commission for Revenue Allocation, Dr. Jane Kiringai, CECM's from 6 counties and Dr. Abraham Rugo, representative of International Budget Partners, Kenya.

2.10. Capital Development Projects

i) School of Economics and Business Management Complex

The current status of this project is that roofing and underground water tank base is completed, plastering, flooring, plumbing electrical works, CCTV, structured cabling, civil and landscaping works are ongoing. Windows and doors on the ground floor are done while generator house is complete pending roofing works. However, the progress is still slow due to inadequate materials and labour on site. The total expenditure stands at Kshs. 151,114,910 or 63% of the total project cost. To date the project is beyond 80% completion.

ii) Milk Cooling Plant

This project was completed and the plant installed, tested and commissioned. New KCC has trained three (3) operators to run the plant. The total sum paid to the contractors stand at Kshs. 10,829,072 or 82% of the project cost.



Figure 22: Milk Cooling Plant

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iii) Health Clinic Annex

The project is complete. The annex has been roofed and plastering has been completed. Floor tiling, Wiring, Fittings for plumbing works are complete. The windows and external doors have been fixed and painting done. A total Kshs. 9,003, 475 has been utilized. The project is ready for handing over once a suitable date is fixed.

iv) Amphitheater

This Project was awarded to Arcon Construction Works who signed the contract on 3rd June 2019 and the Contractor is already on site. On 7th June 2019, the Project Manager joined the contractor to mark the site. The contractor is now already on site. The division is still expecting the first certificate to facilitate payment.

v) Perimeter Fence

To date approximately 3km of perimeter fence, Phases I, II and III, as well as three Gates have been completed. Phase IV of the fence, covering another kilometer has commenced and work is on-going.



Figure 23: Perimeter Wall Fence

vi) Renovation of Hotel Academia Kitchen

The main structure and repair works in the old kitchen have been completed, including roofing and ceiling works. The pending works are mainly installations of appliances including cookers, and related equipment. Roofed ceiling works are ongoing. The generator has also been supplied, installed and tested. A total of Kshs. 10,033,050 has already been utilized.

vii) University of Eldoret Secondary School Laboratory

The project has been completed and ready for handing over. A total of Kshs. 4,463, 266 has been spent. The balance could not cater for fixing of benches and gas piping works. The project was expensed since it's a corporate social responsibility activity.

viii) The Monitoring and Evaluation of University Projects

The Ministry of Education carried out the 3rd Quarter Monitoring and Evaluation of University projects on January 30th, 2019. The major aim of the exercise was to verify, validate and update the information on all projects that have been implemented in the Medium-Term Expenditure between the period of 2016/17-2018/19 and those which have been earmarked for implementation in the next MTEF period. The exercise was conducted and guided by the University Council Members and University Management Board members led by the Chairman of Council Dr. David Ojaka and University Vice-Chancellor Prof. Teresa Akenga. The areas covered in the tour included **completed Projects namely:** The Outreach Centre and International Students Office which is 100% complete; Perimeter wall Phase II (Opande Road); Fish hatchery; Perimeter Wall Phase I and Main Gate -Completed, awaiting handing over of the Flame; Perimeter Wall Phase III - Completed, however gate was recommended to be redone to specifications; Engineering Workshops (Equipment) - Completed.

2.11. Resource Mobilization

Key engagements and work outputs on Resource Mobilization including project funding, proposals and status of memoranda of understanding signed or in process are summarized below;

i) Strengthening Higher Agriculture Education in Africa (SHAEA) Proposal.

Specifically, the project's objective is to establish a Regional Anchor University (RAU) to model best practice and capacity for agriculture education and respond to challenges and opportunities facing agriculture sector (agri-business and entrepreneurship, agri-food systems and nutrition, rural innovations and agricultural extension, agricultural risk management and climate change proofing, agricultural policy analysis; and statistical analysis, foresight and data management) and overall issues

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of food security. This would be achieved by creating competitive advantage, visibility and internationalization of programs and institutional transformation of the RAU. Through a multidisciplinary team, University of Eldoret submitted a proposal for funding. The proposal met the preliminary criteria and qualified to bid for the project. The proposed project is worth **Kshs.2.5 billion**.

ii) **MoU with Kenya Agricultural and Livestock Research (KALRO)**

Negotiations between UoE and KALRO have been done, and the MOU is finalized and ready for joint signing by the respective CEOs. KALRO holds a huge pool of donor research funding and works in collaboration with several research organizations. The MoU will open a door for large scale thematic research in agriculture and natural resources with faculty from UoE in addition to sharing of facilities, internship of our students.

iii) **High Performance Sports Centre/Institute**

A proposal has been developed to establish a High Performance Sports Centre in UoE as benchmarked at the University of Pretoria, South Africa. The Centre is expected to have all kinds sporting facilities, expert trainers and a strong component of sports medicine and human physiology tracking machines. The CS Treasury is willing to work with UoE to get funding from the World Bank. The proposal contextualizes the benefits of high altitude sporting and contribution of such facility to the local community or UOE catchment, the country, region and internationally: in terms of socio-economic and health benefits including peace and cultural dividends. The budget estimate of the project using applicable QS rates in Kenya totaled **Kshs. 6,317, 680,000**, broken into distinct phases.

2.12. **ISO 9001:2015 QMS**

The University transitioned from the Quality Management System (QMS) based on the ISO 9001:2008 standard to the one anchored on the revised ISO 9001:2015 standard. This process began in the 2017/18 FY but actualized in the 2018/19 FY.



Figure 24: The official launch of the ISO 9001:2015 QMS and Re-certification celebrations at the University of Eldoret

The re-certification to the revised ISO 9001 standard is an important endorsement of the quality offered at UoE and provides the framework by which the University will continue to maintain and enhance internationally approved standards in all its services and operations. The QMS and the ISO 9001:2015 standard are anchored on “risk-based thinking”. The top management makes decision based on the process. The total cost incurred in implementing this QMS stood at over **Kshs.4 million** as of 30th June 2019. The 2nd Internal audit after recertification took place in May 2019 and the findings indicated that there has been improvement in the provision of services at the University.

Internal Quality Assurance System

Besides the implementation of the QMS, the University also undertook other quality assurance activities during the 2018/2019 FY. Key among these was the analysis of data obtained from student evaluation of courses and lecturers done at the end of the 2017/2018 academic year. The results from this exercise indicated that students at UoE are of the view that lecturers use effective teaching techniques, relate positively with students, show concern for students’ academic growth, inculcate values in them and

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that the courses they undertake are relevant and will enable them to contribute the concepts they have learnt to national goals.

During the 2018/2019 FY, a Quality Assurance Policy was developed. This will now provide a framework for implementing and assuring quality in all operations, services and activities of the University of Eldoret in line with the existing legal, regulatory and institutional guidelines. The policy is currently also going through the University's approval process.

The overall achievement during the period include the following;

- a) Heads of Quality Units (34) briefed on steps made in the transition process of ISO 9001:2015 QMS and the key requirements of the ISO 9001:2015 Standard
- b) Internal Auditors (23) briefed on schedule of events towards ISO 9001:2015 certification
- c) 1st Internal Quality Audits and follow-up Audits conducted successfully
- d) Stage 1 and 2 Pre-Certification Audit successfully conducted by KEBS
- e) ISO 9001:2015 Certificate received and contract signed on 14th September, 2018
- f) Official Launch of ISO 9001:2015 QMS done on 27th March, 2019
- g) Development of the Quality Assurance Policy
- h) Three (3) ISO 9001:2015 QMS Management Review Committee meeting successfully held in the financial year under review.

As is evident from the foregoing, the University is doing everything it can to ensure that quality and internationally recognized standards are infused in all aspects of its operations and service delivery. All the different items reported here are aimed at ensuring that the University achieves its vision of being a premier university that is globally recognized for knowledge generation and technological innovation and its mission.

3.0 Administrative Division

3.1 Staffing and Staff Ethnic Distribution

The total number of staff in the University stands at 1273 (1236), an increase of 2.83% from 2017/2018 financial for which 752 are male and 521 are female. The increase is presented in the figure below. The increase is largely due to recruitment of academic staff across different schools. In the staff compliment, we have 346 (331) teaching staff and 927 (904), non-teaching. The terms of Service of staff vary from Permanent, Contract, Temporary and those on secondment.

Total University Staff Comparison



Figure 25: Staff comparisons between 2017/18 and 2018/19

The staff comes from diverse ethnic groups and regions in Kenya and from the rest of the world. The figures below show the percentage representation of the staff and it shows that the University has ensured that regional balance in employment is achieved. On distribution per tribe, 47% of all the staff are comprised of Nandis, Luhyas and Keiyo. 53% of the staff comprises other tribes distributed across the country. Similarly, with respect to staff distribution per region, 45% of all staff come from Uasin Gishu, Nandi and Elgeyo Marakwet. The remaining 55% of this category come from other 44 counties and foreign countries. It is worth noting however that Uasin Gishu County is highly cosmopolitan as it is home to many other tribes from across the country.

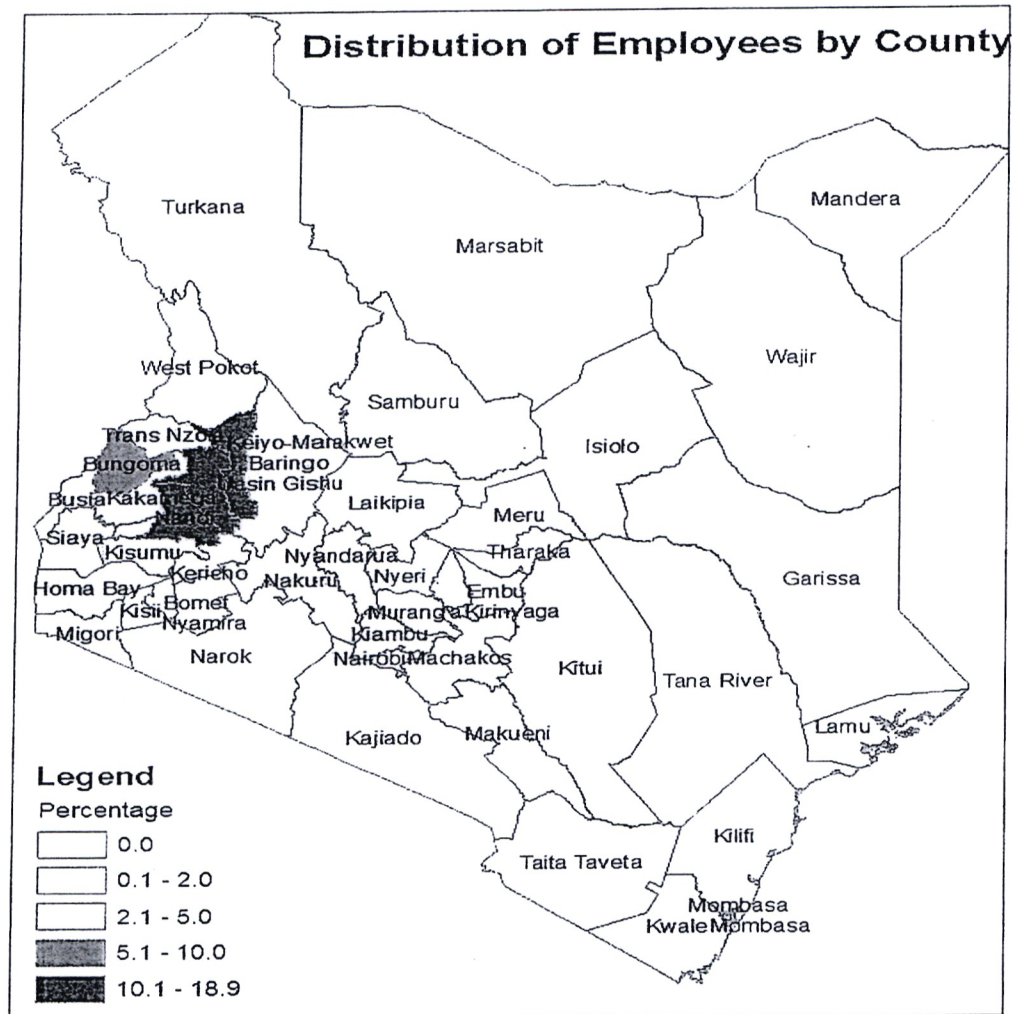


Figure 26 Staff distribution per ethnic group

3.2 Staff Recruitment and Appointments

During the FY 2018/2019, both academic and non-academic staff were recruitment distributed in various schools and departments. A total of 44 staff were recruited out of which thirteen (13) (29.5%) were academic staff while twenty-seven (27) (70.5%) were non-teaching staff. The higher number of non-teaching staff was due to the new offices of Deputy Vice-Chancellors which were filled by council after interviews. The academic staff were spread across schools of Economics and Engineering.

STAFF RECRUITED FY 2018/2019



Figure 27: Staff Recruited in FY 2018/2019

Further, positions for University Librarian, Farm Manager, Registrar Administration and Finance Officer were advertised and the process of filling the positions is ongoing.

3.3 Staff Training and Appraisal

During the financial year, staff from various departments undertook short courses within and outside the university to enhance their knowledge and skills in their respective areas of operations. Other trainings undertaken include induction of Heads of Department, Deans and Directors, fire Marshalls, counter terrorism and violent extremism trainings. In the FY 2018/2019 staff appraisal were undertaken for all the staff. The analysis of the appraisals are currently ongoing to generate a report that will inform decision making. The analysis is targeted at staff performance rating, training needs and future plans.

3.4 Career Guidelines/Scheme of Service

The Draft Scheme of Service and career guidelines has undergone various stages of its development and has been approved by Council subject to concurrence from SCAC who actively participated in the development process. The document is progressive and is currently being implemented by the division.

3.5 Industrial Relations

In the reporting period, we continued to engage constructively with staff Unions on staff welfare matters. Efforts were made to ensure the conclusion of

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negotiations of the KUSU 2013/2017 CBA which was pending. Consultative meetings were also held with unions to ensure harmonious industrial relations and non-disruption of operations at the university.

3.6 Outsourcing of Cleaning Services

In the FY 2018/2019, we outsourced provision of Cleaning Services for Main Campus, Town Campus and Nairobi Liaison Office from various service providers. The services of the three companies were procured are required to handle Cleaning and Fumigation Services. Similarly, a service provider was outsourced to provide sanitary disposal services in Main Campus and Town Campus. This has improved cleanliness and reduced on non-contracted employees engaged.

3.7 Transfer of Motor Vehicles

During the FY 2018/2019, all vehicle whose ownership was registered under Moi University and Chepkoilel University College respectively were transferred and registered under University of Eldoret. A total of thirty-six (36) vehicles whose ownership registration details were under Moi University and six (6) whose ownership was under Chepkoilel University College were successfully transferred. The NTSA is continuing with the processing of new logbooks.

3.8 Accommodation Facilities

The University operates sixteen (16) on-campus hostels which were partially occupied during the academic year 2018/2019. This is attributed to low number of 1st year student's in-take permitted to reside in the hostels and the poor conditions as show in figure 28 below.

Hostel Occupancy Trends Comparison

	2017/2018	2018/2019
TOTAL	~100	~120
MALE	~60	~75
FEMALE	~40	~45

Figure 28: Students' Hostels and occupancy

The university has embarked on repairs, renovations and maintenance program to modernize and decongest the hostel facility to make it more attractive to the students. It is proposed that postgraduate hostel(s) is established to accommodate the increasing number of international students which is a ready source of income.

3.8 Farm Activities

The University farm has land coverage of about 1053 acres and it uses about 43% of this i.e. 460 acres for crop and livestock production. At the close of the year, a total of 142 acres had been prepared for planning crops. This is aimed at boosting the revenue streams of the university. The sale of animals was initiated but could not be achieved because prices quoted were below the reserve prices. However, sixteen (16) pigs were sold for Kshs.181,500.

3.9 Insect Vector and Rodent Control

We managed to spray various critical areas using appropriate insecticides as a control measure against cockroaches, mosquito's black ants, fleas, wasps, itch mites and bees' various premises within the university.

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3.10 Health Clinic Services

During the year, our Health clinic attended to a total of **22,604** patients with various ailments. Some of the cases were referred to other health facilities for further management.

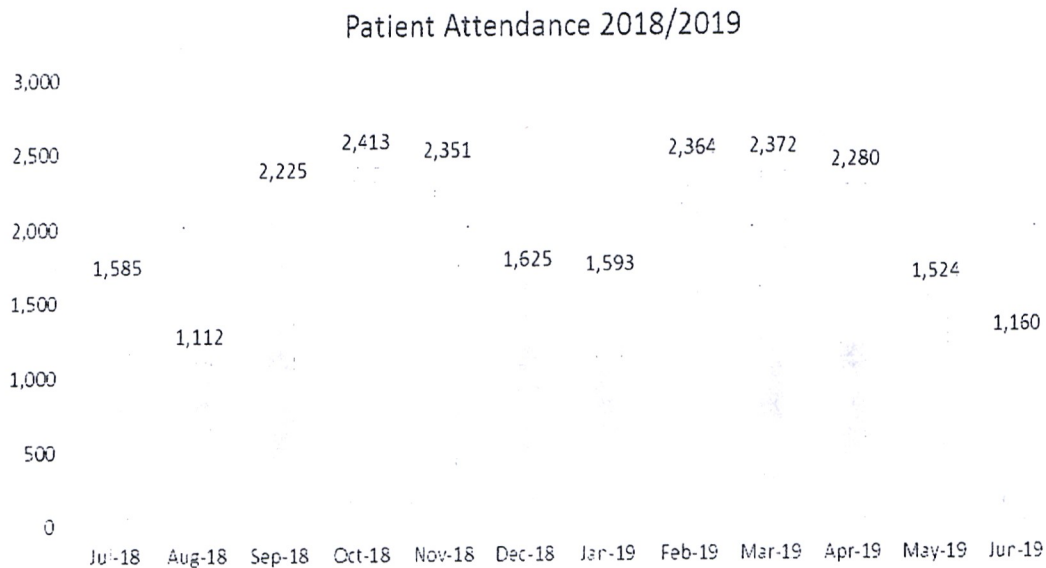


Figure 29: Number of patients at the health services

4.0 Corporate Social Responsibility Statement

Corporate Social Responsibility (CSR) is one of the University's core businesses as provided by the Universities Act 2012 of Laws of Kenya. CSR activities helps the University to be socially accountable to its self, its stakeholders and its public. Through CSR, University of Eldoret consciously impacts all aspects of society including economic, social and environmental in positive ways. As important as CSR is for the community, it boosts our brand, helps forge a stronger bond between employees and the university. CSR initiatives include: field courses, Problem Based Learning (PBL), enhanced student community outreach activities, annual Agribusiness trade fair exhibitions, farmers' trainings, soil testing and environmental conservation, annual cross country championship and offering quality and timely services.

(a) Environmental

The environment is one of the key natural resources of the institution and operationalized through the University's environmental policy. The University's commitment to reducing environmental impact is through preservation, conservation and waste reduction practices. In this respect, the University was engaged in the activities below;

- (i) The school of Natural Resources Management hosted the 4th University of Eldoret Tree planting activity on 17th June 2019 with the Vice Chancellor presiding as Chief Guest. Theme of the event was *"Environmental Sustainability Towards 10% Tree Cover"*.

The exercise saw a total of over 2,500 different species of indigenous trees being planted at the University's Old Site Road gardens near the Eucalyptus Stand by students, colleagues, and members of the community.



Figure 30: Tree Planting Activity

- (ii) School of Environmental Studies conducted several Environmental Impact Assessment (EIA) and Environmental Audit (EA) Trainings in both the University and the neighboring counties as a means of encouraging sustainable environmental management: 5th October – 2nd November 2018 for Trans-Nzoia County, July 9-24, 2018 training in Elgeyo-Marakwet County; August 20, 2018 to September 7, 2018 training in UoE; and July 30, 2018 to August 17, 2018 training in Kabarnet, Baringo County.

(b) Neighboring Community

As part of integrating with the neighboring community and fulfilling our duty to our neighbors, the university was involved in the following activities;

- (i) The University through the Department of Fisheries and Aquatic Sciences conducted the Fish Farmers Training on Pond Management as from 25th April 2019 to 9th May 2019 at the University of Eldoret Fish farm. The goal of the training was to empower farmers within Uasin Gishu County with appropriate pond construction, repair, and management skills.

The training which is dedicated towards contributing to food security and the transfer of aquaculture technologies to over 1000 fish farmers per annum through outreach, extension and incubation services, saw a total of over 30 fish farmers from the region and beyond being equipped with relevant knowledge on aquaculture. The skills acquired by fish farmers through this training will not only help them establish pond management systems within their farms but also assist other farmers to repair/construct appropriate all weather round ponds.



Figure 31: Farmers being trained on pond bottom construction and leveling

(ii) University Facilitates Boda-Boda Training

The University donated 10 dozens of Reflector Jackets to Moiben Ward Boda-Boda graduates in an event that took place on 29th April, 2019 at Moiben Technical and Vocational College. Speaking to the Boda-Boda graduates during the event, the Chief Guest Prof. Teresa Akenga pledged to support initiatives that empower locals to be self-sufficient. She called on the Boda-Boda riders to embrace business and agribusiness ventures, and urged them to enroll in UoE to pursue training in Mushroom farming, dairy farming, and aquaculture and business management to improve the status of the societies.



Figure 32: The Vice-Chancellor handing over reflector-jackets to Boda-Boda Riders at Moiben ward

(c) Clients

In line with improved service delivery through various directorates, training were held to enhance service delivery:

- (i) To enhance gender diversity in the sporting discipline, the University through the Department of Sports conducted a two days Korfball Training workshop on 13th - 14th June 2019 at the University's Sports Office. Korfball being a new sport in the University has attracted many students. Korfball as a sport is played by a team of four (4) players, with two (2) male and two (2) female. The Sports Department brought in a professional trainer from Netherlands by the name of Mr. Theo Van de Linde who was pivotal in highlighting the way the sports is played and the rules and regulations that govern the sport.
- (ii) The School of Business and Management Sciences facilitated trainings to build capacity; Enactus Kenya (Innovation and Smart Technologies for sustainable development; and, Kenya Revenue Authority (Tax filing).
- (iii) The University through the Department of Security held a counter-terrorism training on 13th & 14th March 2019. The training was conducted by a Team of Anti-Terror Police Unit and was dedicated towards enhancing the security of its major stakeholders (Students

and staff) and property by training its Security (the first line of defense) and other staff members on different mitigations against terrorism to equip them with basic knowledge on terrorism and counter-terrorism.

- (iv) The Kenya Red Cross Society-UoE Chapter was awarded in the Kenya Red Cross Society Uasin Gishu Grassroots First Aid competitions, which was held on 10th May, 2019 at the Kenya Red Cross Uasin Gishu County Branch. The first aid competition is of great importance to the participants, as it equips them with viable knowledge on respond to emergency and also tests their abilities, knowledge, and skills in coordinating safe, realistic and simulated emergency incidences.



Figure 33: The Chairman KRCS-UoE Chapter Vincent Nyamwega receiving the award

- (v) The Parliamentary Departmental Committee on Education and Research visited the University on 21st May 2019 to conduct a routine Inspection on the Universities facilities. The Parliamentary Committee chaired by Hon. Julius Melly met with University Council Members, University Board of Management, Representative of Academic Staff, Non-Academic Staff and Students' leaders.

University of Eldoret

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- (vi) The University held its first former student leaders' symposium on 2nd March 2019. The Meeting was a re-union between the University Management Board and the former student leaders. It was dedicated towards forming a basis for future tracer-studies of the University graduates.
- (vii) The University through the HIV/AIDS Committee conducted a three-day HIV/AIDS awareness campaign as from 29th to 31st May 2019 at the UoE Clinic Grounds. The University acknowledges that HIV/AIDS pandemic is now a global crisis that constitutes one of the most formidable challenges to development, social progress and development in Kenya.

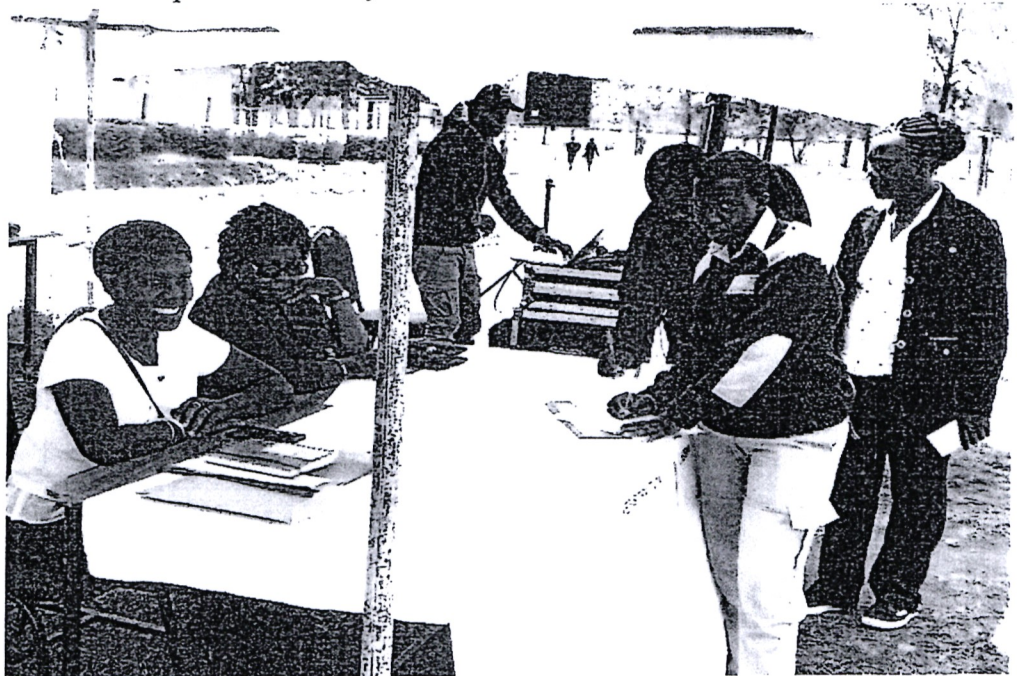


Figure 34: HIV/AIDS awareness campaign registration desk

(d) UOE Secondary School

The University built a Science Laboratory at the UOE Secondary school to boost performance in the science subjects at the school. A groundbreaking ceremony to commence the project was performed by the Chairman of the University Council, Dr. David Ojaka on Saturday 22nd September, 2018. The function was attended by the Vice Chancellor, members of the University Management, School teachers, representatives of students and

members of the school Board of Management. The project is completed and handed over to the school.

(e) **Environmental Sensitization Event and Clean Up Exercise**

10 environmental Campaigns and 2 environmental clean ups were conducted. Environmental Campaigns/Club visits with RCE North Rift was organized to develop tree planting clubs in schools.

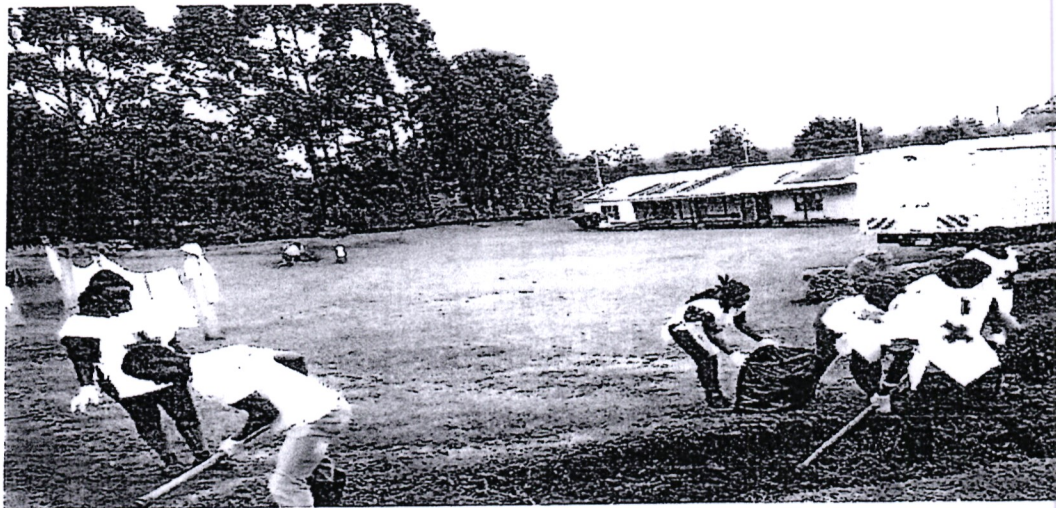


Figure 35: Environmental Sensitization Event & Clean Up Exercise

T. Akenga

Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
Vice-Chancellor

Date 20/11/2019

REPORT OF THE COUNCIL

The University Council submits its report together with the audited financial statements for the year ended June 30, 2019 which show the state of the University's affairs.

(a) Principal Activities

The principal activities of the University continue to be the provision of quality University education, including scientific and professional education as provided under Section 6 (1) of the University's Charter.

(b) Results

The results of the entity for the year ended June 30, 2019 are set out on page 1.

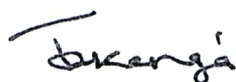
(c) University Council Members

The members of the University Council who served during the year are shown on page (v).

(d) Auditors

The Officer of Auditor General is responsible for the statutory audit of the University in accordance with the Section 68 (2) (k) of the Public Finance Management (PFM) Act, 2012.

By Order of the Council



Prof. Teresa A.O. Akenga, MRSC, MBS, MBA
Vice - Chancellor and Secretary to Council

STATEMENT OF COUNCIL'S RESPONSIBILITIES

Section 68 (2) (k) of the Public Finance Management Act, 2012 and section 14 (1) of the State Corporations Act, require the Council to prepare financial statements in respect of that University, which give a true and fair view of the state of affairs of the University at the end of the financial year/period and the operating results of the University for that year/period. The Council is also required to ensure that the University keeps proper accounting records which disclose with reasonable accuracy the financial position of the University. The Council is also responsible for safeguarding the assets of the University.

The Council is responsible for the preparation and presentation of the University's Financial Statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the University;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Council accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, 1986. The Council is of the opinion that the University's financial statements give a true and fair view of the state of University's transactions during the financial year ended June 30, 2019, and of the University's financial position as at that date. The Council further confirms the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's

University of Eldoret
Annual Report and Financial Statements for the year ended 30th June 2019

financial statements as well as the adequacy of the systems of internal financial control.

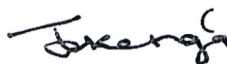
Nothing has come to the attention of Council to indicate that the University will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

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



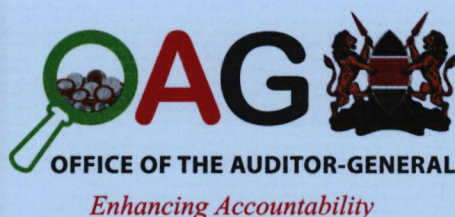
Dr. David Ojaka
Chairman of Council



Prof. Teresa A. O. Akenga, MRSC, MBS, MBA
Vice-Chancellor

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON UNIVERSITY OF ELDORET FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of University of Eldoret set out on pages 1 to 36, which comprise the statement of financial position as at 30 June, 2019, and the statement of financial performance, statement of net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the University of Eldoret as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Universities Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Valuation of Property, Plant and Equipment

As previously reported, property, plant and equipment figure of Kshs.1,204,659.563 as at 30 June, 2019 includes transfer of assets from Moi University of Kshs.979,141,065. It was further reported that the University entered into a contract for the valuation of assets on 7 April, 2017 at a contract sum of Kshs.3,458,192. Information provided for audit revealed that the valuation report was completed and handed over to the Management. However, the report has not been approved by the University Council for implementation.

Under the circumstances, the accuracy, completeness and valuation of the University's property, plant and equipment balance of Kshs.1,204,659.563 as at 30 June, 2019 could not be confirmed.

2.0 Work-In-Progress Transferred to Property Plant & Equipment

The statement of financial position and as disclosed in Note 26 to the financial statements reflects property, plant and equipment balance of Kshs.1,204,659,563 as at 30 June, 2019. Included in this balance are transfers from Work-In-Progress amount of Kshs.100,477,569. However, the final statements of account and the project handover minutes for an amount of Kshs.58,963,779 in respect of hotel and hospitality labs, main gate, health clinic and hotel academica kitchen were not provided for audit verification.

Consequently, the accuracy and completeness of the transfers from work-in-progress amount of Kshs.100,477,569 as at 30 June, 2019 could not be confirmed.

3.0 Trade Payables from Exchange Transactions - Retention Monies

The statement of financial position and as disclosed under Note 28(a) to the financial statements reflects trade payables from exchange transactions balance of Kshs.81,895,200 as at 30 June, 2019. The balance includes retention monies amount of Kshs.36,224,914. However, the University Management did not maintain a separate cash book and bank account for retention money.

In the circumstances, it was not possible to confirm the accuracy, completeness and existence of the retention money totalling to Kshs.36,224,914 as at 30 June, 2019.

4.0 Long Outstanding Imprests

The statement of financial position reflects receivables from exchange transactions balance of Kshs.431,492,518. Included in this amount are staff imprests amounts of Kshs.10,741,363. However, analysis of the outstanding imprests revealed that imprests amounting to Kshs.5,304,613 had been outstanding since the year 2014. This is contrary to Section 71(4) of the Public Finance Management Act, 2012 which provides that a Public Officer who is advanced cash and fails to account for it will have the advance converted into a debt subject to interest at a rate prescribed by the regulations. Regulation 93(6) of the Public Finance Management (National Government) Regulations, 2015 provides for recovery of outstanding imprests with an interest at the prevailing Central Bank Rate.

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

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

Emphasis of Matter

Loss Making Income Generating Activities

The statement of financial performance reflects income generating activities income figure of Kshs.6,510,090 for the year ended 30 June, 2019. This is an improvement from the loss made in the previous year 2017/2018 of Kshs.2,280,046. However, Note 7 to the financial statements has disclosed major losses under farm and catering income activities of Kshs.1,123,564 and Kshs.4,976,840 respectively. Although there was an improvement on the loss realized under farm and catering activities, the Management is yet to implement strategies to reverse the loss-making trend.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter(s) described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Proposed Construction of Schools of Business Studies and Economics at University of Eldoret

Included in Work-In-Progress amount of Kshs.249,742,950 is an amount of Kshs.157,114,910 relating to construction of the Schools of Business Studies and Economics, whose contract was awarded at a contract sum of Kshs.241,236,042. According to the contract documents, the project was scheduled for completion on 6 September, 2017. However, site visit on 6 August, 2019 and status report provided for audit revealed that the works were ongoing and 80% complete, with the project being behind schedule by twenty-three (23) months. Although the Management explained that the contractor had requested for extension of the contract period, no evidence was provided for the extension.

In addition, Management paid Kshs.2,000,000 as project management fees in full as per certificate No.11 of 18 March, 2019. However, the payments were not supported by signed payment schedules, site meeting minutes and the project manager's instructions.

In the circumstances, the validity of the expenditure on project management fees could not be confirmed and no value for money has been realised.

2.0 Proposed Construction of Masonry Perimeter Fence Phase III at University of Eldoret

Included in Work-In-Progress balance of Kshs.249,742,950 is Kshs.27,552,911 relating to the construction of perimeter fence Phase III. The contract was awarded to a contractor at a contract sum of Kshs.32,494,800 out of which Kshs.27,552,911 or 85% of the contract sum had been paid as at 30 June, 2019. The project which was scheduled for completion in November, 2017 was behind schedule by eighteen (18) months. Site visit on 6 August, 2019 revealed that the works were not complete such as plastering, electrical works and painting. Management explained that the contractor had been instructed to correct the defects before handing over which the contractor is yet to comply with.

Consequently, value for money was not achieved on the project as scheduled.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall 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 control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the University's financial reporting process, reviewing the effectiveness of how the 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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the University of Eldoret policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the University's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the University to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the University to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

31 August, 2021

University of Eldoret

Annual Report and Financial Statements for the year ended 30th June 2019

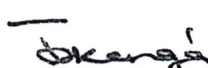
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

	Notes	30-Jun-19	30-Jun-18
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Exchequer Grants (Recurrent)	2	1,877,538,045	2,026,732,125
		<u>1,877,538,045</u>	<u>2,026,732,125</u>
Revenue from exchange transactions			
Tuition Income	3	458,144,452	519,834,544
Administrative and Related Fees	4	236,580,970	262,812,925
Graduation Fees	5	12,230,000	12,127,400
Accommodation Fees	6	13,657,870	21,426,168
Income Generating Activities Income	7	6,510,090	(2,280,046)
Research Administrative Fees	8	1,127,031	1,747,309
Other Income	9	7,154,618	4,142,753
		<u>735,405,030</u>	<u>819,811,054</u>
Total revenue		2,612,943,075	2,846,543,178
Expenses			
Staff Remuneration Costs	10(a)	1,790,598,414	2,034,244,563
Staff Gratuity and Pension Contributions	10(b)	139,670,696	174,365,109
Staff and Student Welfare	11	111,284,743	95,083,271
Chancellors Expenses	12(a)	860,505	2,065,788
Council Expenses	12(b)	26,354,439	25,795,764
Administration and Central Services Expenses	13	88,800,916	129,204,410
Academic, Research & Student Affairs Expenses	14	261,694,679	263,501,591
Support Services	15	97,147,990	103,836,915
Finance Expenses	16	1,474,842	1,465,021
Amortization/Depreciation Expenses	17	78,150,716	73,209,158
Total expenses		2,596,037,940	2,902,771,589
Other gains/(losses)			
Transfer of Capital Projects Depreciation Adjmts	18	10,894,974	9,019,039
Gain/(Loss) on Biological Assets	19	(2,470,377)	(10,571,654)
Increase/(Decrease) in Provision for Bad Debts	20	5,199,590	(1,842,480)
Total Gain/(Loss)		13,624,187	(3,395,095)
Surplus/(Deficit) for the period		30,529,322	(59,623,505)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

Assets		30-Jun-19	30-Jun-18
Current assets	Notes	Ksh	Ksh
Cash and cash equivalents	22(a)	246,788,572	318,894,900
Receivables from exchange transactions	23(a)	431,492,518	688,240,447
Receivables from Non-exchange transaction	23(b)	159,663,858	-
Inventories	24	26,949,163	17,891,381
		<u>864,894,110</u>	<u>1,025,026,727</u>
Non-current assets			
Property, plant and equipment	25	1,204,659,563	1,118,763,928
Work in Progress (WIP)	26	249,742,949	238,249,885
Biological Assets	27	16,296,121	18,766,498
		<u>1,470,698,633</u>	<u>1,375,780,312</u>
Total assets		<u>2,335,592,743</u>	<u>2,400,807,039</u>
Liabilities			
Current liabilities			
Trade payables from exchange transactions	28(a)	81,895,200	108,291,553
Other payables from students transactions	28(b)	231,123,170	232,900,014
Other payables from payroll dues	28(c)	132,053,790	97,423,576
Accruals & Provisions	29	173,593,926	201,140,347
Research Fund Accounts	30	79,929,837	72,833,909
UoESO Fund Accounts	31	5,400,590	7,711,820
Total liabilities		<u>703,996,513</u>	<u>720,301,219</u>
Net assets		<u>1,631,596,230</u>	<u>1,680,505,820</u>
Capital Reserves		1,362,365,136	1,283,718,546
Revenue Reserves - Surplus/ (Deficit)		269,231,094	396,787,274
Total net assets and liabilities		<u>1,631,596,230</u>	<u>1,680,505,820</u>

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


Prof. Teresa A. O. Akenga
Vice-Chancellor

Date...20/11/2019.....


CPA, FA. Ereu K. Totona
Ag. Finance Officer

Date...20/11/2019..
11856 & FA/00528


Dr. David Ojaka
Chairman of Council

Date...21/11/2019.....

University of Eldoret
Annual Report and Financial Statements for the year ended 30th June 2019

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2019

	Capital Reserve Kshs	Revenue Reserves Kshs	Total Kshs
Balance as at 30 June 2017	1,268,362,585	457,163,200	1,725,525,785
Capital Grants	24,375,000	-	24,375,000
Surplus/(deficit) for the period	-	(59,623,505)	(59,623,505)
Transfers to/from accmltd surplus	-	(752,421)	(752,421)
Transfer of Capital Deptn Adjmt to other income	(9,019,039)	-	(9,019,039)
Balance as at 30 June 2018	1,283,718,546	396,787,274	1,680,505,820
Capital Grants	89,541,564	-	89,541,564
Surplus/(deficit) for the period	-	30,529,322	30,529,322
Prio years adjustments	-	(158,085,503)	(158,085,503)
Transfer of Capital Deptn Adjmt to other income	(10,894,974)	-	(10,894,974)
Balance as at 30 June 2019	1,362,365,136	269,231,094	1,631,596,230

Capital Reserves

Capital reserves relate to accumulated funds received as capital grants from the Exchequer and those generated internally for physical and infrastructural development purposes in each year. **Kshs.89.54 million** was received and expended as required 2018/2019 financial year.

Prior Year adjustment of **Kshs.158.09 million** relates to adjustments for Student debtors and Creditors which relates to prior years which were adjusted after analysis and confirmations as well as other prior year corrections.

Transfer of Capital depreciation adjustment to other income of **Kshs.10.90 million** represents depreciation amount on buildings transferred from work in progress upon completion constructed from Capital grants from Government written off gradually over the life of these buildings.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

		30-Jun-19	30-Jun-18
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Exchequer Grants (Recurrent)	A	1,717,874,187	2,026,732,125
Tuition Income	B	536,602,684	419,224,254
Administrative and Related Fees	C	236,417,070	263,809,225
Graduation Fees	5	12,230,000	12,127,400
Accommodation Fees	6	13,657,870	21,426,168
Income Generating Activities Income	D	8,904,435	1,673,188
Research Administrative Fees	8	1,127,031	1,747,309
Other Income	9	7,154,618	4,142,753
		2,533,967,895	2,750,882,422
Payments			
Staff Remuneration Costs	E	1,755,968,199	2,136,737,051
Staff Gratuity and Pension Contributions	10(b)	139,670,696	129,952,809
Staff and Student Welfare	11	111,284,743	95,083,271
Chancellors Expenses	12(a)	860,505	2,065,788
Council Expenses	12(b)	26,354,439	25,795,764
Administration and Central Services Expenses	F	128,970,480	76,562,960
Academic, Research & Student Affairs Expenses	G	264,909,498	198,923,016
Support Services	15	97,147,990	103,846,915
Finance Expenses	16	1,474,842	1,465,021
		2,526,641,392	2,770,432,594
Changes in Payables			
Donor Research Grants	30	7,124,788	48,866,389
UoESO Fund Accounts	31	(2,311,230)	1,282,935
		12,140,061	30,599,152
Net cash flows from operating activities			
Cash flows from investing activities			
Purchase of property, plant and equipment	25	(63,568,782)	(66,990,756)
Decrease/(Increase) in non-current receivables	26	-	10,571,654
Increase in work in progress (WIP)	27	(112,492,633)	(101,791,108)
Decrease/(Increase) in Capital Deptn. Adjustment	28	2,273,462	(2,536,800)
Net cash flows used in investing activities		(173,787,953)	(160,747,011)
Cash flows from financing activities			
Government Capital grants		89,541,564	24,375,000
Net cash flows used in financing activities		89,541,564	24,375,000
Net increase/(decrease) in cash and cash equivalents		(72,106,329)	(105,772,859)
Cash and cash equivalents at the beginning	22(a)	318,894,900	424,667,760
Cash and cash equivalents at the end	22(a)	246,788,572	318,894,900

A, B, C, D, E, F & G are under Appendix 3: Statement of Cash Flows Notes

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AS AT 30 JUNE 2019

Revenue	Notes	Original Approved Budget	Revision	Approved Revised Budget	Actual on Comparable Basis	Performance Difference
		Kshs	Kshs	Kshs	Kshs	%
Exchequer Grants (Recurrent)	2	1,752,932,844	124,605,201	1,877,538,045	1,877,538,045	(1) 0%
Tuition Income	3	438,360,000	20,000,000	458,360,000	458,144,452	(215,548) 0%
Administrative and Related Fees	4	207,718,500	29,000,000	236,718,500	236,580,970	(137,530) 0%
Graduation Fees	5	9,600,000	2,294,500	11,894,500	12,230,000	335,500 3%
Accommodation Fees	6	21,000,000	(7,514,060)	13,485,940	13,657,870	171,930 1%
Income Generating Activities Income	7	9,413,494	(2,913,494)	6,500,000	6,510,090	10,090 0%
Research Administrative Fees	8	1,000,000	127,795	1,127,795	1,127,031	(764) 0%
Other Income	9	8,758,841	(1,602,816)	7,156,025	7,154,618	(1,407) 0%
Total income		2,448,783,679	163,997,126	2,612,780,805	2,612,943,075	162,270 0%
Expenses						
Staff Remuneration Costs	10(a)	1,762,765,254	26,434,591	1,789,199,845	1,790,598,414	(1,398,569) 0%
Staff Gratuity and Pension Contribution	10(b)	165,100,487	(25,316,295)	139,784,192	139,670,696	113,496 0%
Staff and Student Welfare	11	63,366,000	47,925,096	111,291,096	111,284,743	6,353 0%
Chancellors Expenses	12(a)	2,000,000	(1,100,000)	900,000	860,505	39,495 4%
Council Expenses	12(b)	20,000,000	6,900,000	26,900,000	26,354,439	545,561 2%
Administration and Central Services	13	83,500,000	5,875,186	89,375,186	88,800,916	574,270 1%
Academic, Research & Student Affairs	14	233,500,000	28,736,126	262,236,126	261,694,679	541,447 0%
Support Services	15	106,000,000	(8,183,161)	97,816,839	97,147,990	668,849 1%
Finance Expenses	16	2,500,000	(1,007,320)	1,492,680	1,474,842	17,838 1%
Depreciation Expenses	17	80,332,543	(830,107)	79,502,436	78,150,716	1,351,720 2%
Total expenditure		2,519,064,284	79,434,116	2,598,498,400	2,596,037,940	2,460,460 0%
Surplus for the period		(70,280,605)	84,563,010	14,282,405	16,905,135	2,622,730 18%
Exchequer Grants (Capital)		256,462,000	(166,920,436)	89,541,564	89,541,564	- 0%
Capital Expenditure		371,462,000	(183,326,404)	188,135,596	176,061,415	12,074,181 6%
Capital funds (Surplus for the period)		(115,000,000)	16,405,968	(98,594,032)	(86,519,851)	(12,074,181) (0)

University of Eldoret
Annual Report and Financial Statements for the year ended 30th June 2019

Recurrent Income and Expenditure

(a) GoK Recurrent Grants

During the year, the University received Exchequer grants of **Kshs.1.88 billion** for recurrent expenditure purposes. **Kshs.159.66 million** was accrued due to late disbursement following final supplementary budget.

(b) Research Administrative fees

The University received a sum of **Kshs.1.13 million** as research administrative charges during the year. These were generated from 10% administrative charges on funds raised from donors by academic staff to support their research programs.

(c) Tuition Fees and Tuition related Income

The tuition fees and tuition related income was the main source of income from exchange transactions at **Kshs.458.14 million** and **Kshs.236.64 million**. This decline significantly due to reduction in student population following less qualified students' able to joint higher education.

(d) Staff Remuneration Costs

Staff costs remained the major expenditure item which stood at **Kshs.1.79 billion** during the year. The staff salaries and house allowances increased as a result of the full implementation of the pending elements of 2010-2013 National CBA awards, payment of the arrears arising 2010-2013 National CBA, Recruitment of additional staff and award of normal annual increments to staff.

(e) Surplus/Deficit for the year

The University recorded a deficit in financial performance during the 2018/2019 financial year with a surplus of **Kshs. 30.53 million** against a balanced budget after adjusting for other gains and losses. The University is however able to meet all her obligations as and when they fall due and was able to pay all payroll and other statutory deductions as at 30th June, 2019.

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation and form of presentation

The financial statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS) pursuant to section 194(1) of Public Finance Management Act, 2012 following the gazette notice No.94 which was to take effect from 30th June, 2014. The financial statements are presented in Kenya Shilling (Kshs) and amounts are rounded to the nearest one shillings. The financial statements are prepared on an accrual basis while the cash flow statement is prepared using the direct method.

(b) Revenue recognition

i) Revenue from non-exchange transactions

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 and can be measured reliably.

ii) Revenue from exchange transactions

Tuition Income

Income from students in terms of tuition and other related charges is recognized as it accrues unless collectability is in doubt. Recurrent Exchequer grants from the government are recognized as income in the period in which they relate.

Rendering of services

The University recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to approved semester dates in an academic year.

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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.

(c) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the University. As a result of the adoption of the accrual basis for budgeting purposes, there are no basic, timing or differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

(d) Property, plant and equipment

The assets are recognized on the historical cost basis of accounting modified by the revaluation of certain assets. 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 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.

Amortization of Lease hold Land has been written off over remaining lease period of 81 years effective from June 2015 when assets were handed over to University of Eldoret from Moi University following the issuance of Charter.

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The annual depreciation rates based on straight line in use are:

Building	2%
Furniture, Fittings, Plant and equipment	12.5%
Motor Vehicles	25%
Computers	33.3%
Library Books	20%

(e) Receivables

Receivables are stated at their fair values. A provision for impairment is recognized in the Income and Expenditure statement in the year when the recovery of the amount is in doubt.

(f) Biological Assets

These are farm animals mainly livestock and agricultural crops and are recorded in the balance sheet at their estimated market value.

(g) Trade and Other Payables

Trade and other payables are classified at their fair value net of transactions costs and include accounts payable and unpaid wages/salaries.

(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. 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.

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

(i) Contingent liabilities

Litigation

In the ordinary course of business, the University is a defendant in various litigations and claims. The two cases pending determination by the courts as at the end of June 2019, the University of Eldoret versus Hosea Sitienei and Ezekiel

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Kiprop were determined by court ruling on 9th July, 2019 with a potential liability of Kshs. 29,886,063. However, the university council resolved to appeal the ruling through a Nairobi Supreme Court Petition No.33 of 2019. The appeal is still pending determination and under the circumstance we have disclosed the matter as a post balance sheet event.

(j) Nature and purpose of reserves

The University creates and maintains reserves to comply with specific requirements. Consequently the University maintains Capital and Revenue reserves as required under the statutes.

(k) Changes in accounting policies and estimates

The University does not recognize the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are therefore applied prospectively since retrospective application is impractical.

(l) Employee benefits

Retirement benefit plans

The University does not operate separate pension and provident fund schemes for eligible employees since the employees are still members of the Moi University Pension and Provident fund schemes.

The assets of Moi University Pension and provident fund are held in separate trustee administered funds that are funded collectively by Moi University, University of Eldoret and the employees through their contributions.

In addition, the University also makes statutory contributions to the National Social Security Fund. The rates of contributions to the fund are determined by relevant legislations. The University's contributions to the above schemes are charged to the statement of financial performance as part of the staff costs.

(m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction.

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Annual Report and Financial Statements for the year ended 30th June 2019

(n) Related Party Transactions

Government

In the period, the Government approved a budget of **Kshs.1.717 billion** in the printed estimates; subsequently, **Kshs.159.7 million** following the supplementary budget were received for 2013-2017 CBA. This cumulated to a total capitation grants of **Kshs.1.877 billion** as reflected in this financial statements.

(o) Cash and Cash equivalents

Cash and Cash equivalents comprise of cash in hand and demand deposits and other short-term highly liquid investments those are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(p) Comparative figures

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

(q) Significant judgments and sources of estimation uncertainty

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

Based on their own judgment, management has made estimates and assumptions as specified below:

Estimates and assumptions

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

The University based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing

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Annual Report and Financial Statements for the year ended 30th June 2019

circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the University. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

Useful lives and residual values

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

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

(r) **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 30th June 2019.

(s) **Financial Risk Management Disclosures**

The University has an integrated risk management framework/strategy. The University's approach to risk management is based on risk governance structures, risk identification, measurement, monitoring and reporting. The risk management structure and systems are reviewed regularly to ensure they are in tandem with the micro and macro environment, regulatory guidelines, industry practice, market conditions as well as the services offered.

The University's core business involves major engagements with financial transactions and processes which pose certain risks as outlined below: -

Liquidity Risk

Liquidity risk is the risk that the University will not have sufficient financial resources to meet its obligations when they fall due or will have to do so at excessive costs. This risk can arise from mismatches in the timing of cash flows from revenue and capital/operational outflows, assets and liabilities according to their maturity profiles and can occur where cash flow streams have been

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discontinued. Funding risk arises when the necessary liquidity to fund non-liquid asset positions cannot be met at expected terms and when required.

The objective of the liquidity and funding management is to ensure that all foreseeable operational, capital and loan commitment expenditure can be met under both normal and stressed conditions and the mismatch is controlled in line with allowable risk levels.

The University has adopted an overall balance sheet approach which consolidates all sources and uses of funds, while aiming to maintain a balance between liquidity, cash flows and interest rate considerations. The University's liquidity and funding management process includes: -

- i) Projecting cash flows and considering the cash required and optimizing the short term requirements as well as the long term funding,
- ii) Maintaining balance sheet liquidity ratios,
- iii) Maintaining/soliciting for a diverse range of funding sources with adequate back up facilities,

The University's liquidity position has been unfavorable due to low funding from Exchequer mainly emanating from erroneously refunded funds amounting to **Kshs.115.7 million** which was part of our capitation in 2013/2014 and **Kshs.74.0 million** meant for pension arrears for 2010-2013 national CBA which the Government promised but was not honored. The University's main primary source of revenue receipts is from the Exchequer thus management has been pursuing for enhanced funding as well as pursuing additional sources of revenue through privately sponsored student programmes.

Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates, prices and interest rates. The objective of market risk management policy is to protect and enhance the Statements of Financial Position and performance by managing and controlling market risk exposures within acceptable parameters, and to optimize the funding of business operations and facilitate capital expansion. The University is exposed to the following market risks: -

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- i) *Currency Risk*: - The currency risk is minimal as most of cash and cash equivalents held with banks are dominated in Kenya Shillings.
- ii) *Interest Rate Risk*: - The University's financial condition may be adversely affected as a result of changes in interest rate levels. The interest rate risk is minimal as the University does not have any borrowings.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the University's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as legal and regulatory requirements and generally acceptable standards of corporate behavior. The University seeks to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor and report such risks.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to University Council, University Management Board and the internal audit function. The responsibility is supported by the development of overall standards for the management of operational risk in the following areas: -

- i) Requirements for appropriate segregation of duties, including the independent authorization of transactions;
- ii) Requirements for the reconciliation and monitoring of financial transactions;
- iii) Compliance with regulatory and legal requirements;
- iv) Documentation of controls and procedures;
- v) Requirements for the yearly assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- vi) Requirement for the reporting of operational losses and proposed remedial action;
- vii) Training and professional development;
- viii) Regular internal and external audits;
- ix) Ethical and business standards; and
- x) Risk mitigation, including insurance where it is effective.

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Operational risks are documented in various policy documents and are managed by the Internal Audit function established to spearhead and coordinate risk management activities. The measures taken include proactively identifying, analyzing and mitigating risks in all facets of the institution.

Compliance and Regulatory Risk

Compliance and regulatory risk includes the risk of non-compliance with regulatory requirements. The University has complied with all externally imposed requirements throughout the year mainly from Commission for University Education (CUE) and Ministry of Education Science and Technology (MoEST).

Note 2 - Exchequer Grants

<u>Particulars</u>	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
	<u>Ksh</u>	<u>Ksh</u>
Exchequer Grants (Recurrent)	1,877,538,045	2,026,732,125
Totals	<u>1,877,538,045</u>	<u>2,026,732,125</u>

Exchequer Grants

Exchequer grants received from the government are recognized as Income in the period in which it relates as approved in the Printed Estimates with an allocation of Kshs.1.717 billion. Additional Kshs.0.159 billion was given upon final supplementary budget which was treated as accrued Exchequer grants and actual funds received in July 2019.

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Annual Report and Financial Statements for the year ended 30th June 2019

Note 3 : - Tuition Income

Particulars	Cumulative	Act. Audited
	30-Jun-19	30-Jun-18
	Ksh	Ksh
Tuition Fees	459,992,302	475,939,384
Student Opening Balances	2,833,842	1,551,405
Opening Balances	(14,372,437)	(14,967,183)
Direct Charges	12,000	54,200,500
Collaborating fees	10,376,925	3,269,238
Collaborating Expense	(698,180)	(158,800)
Totals	458,144,452	519,834,544

Note 4 : - Administrative and Related Fees

Particulars	Cumulative	Act. Audited
	30-Jun-19	30-Jun-18
	Ksh	Ksh
Student ID Fees	1,040,850	1,589,200
Registration	1,125,200	1,430,400
Examinations Fees	20,245,520	23,413,000
Activity Fees	15,554,100	18,243,200
Student Medical Fees	26,013,800	30,522,800
Library Fees	25,889,629	30,353,400
Field Trips	73,921,600	86,833,000
Field Attachment	8,872,750	7,622,100
Teaching Practice Fees	27,890,200	29,677,500
Computer Fees	1,561,450	1,120,000
Thesis Fees	6,246,460	4,315,700
Supervision	10,921,461	7,191,525
Re-marking Charges	67,000	90,000
Amenity	12,980,900	15,220,700
Special Project	2,786,100	2,935,000
Field Work Supervision	105,000	142,500
Field Course	267,200	832,000
Workshop Practice	328,000	515,900
Other Student Related Income	763,750	765,000
Totals	236,580,970	262,812,925

Tuition fees reduced to Kshs.458.14 million while administrative and related fees of Kshs.236.58 million as a result of the reduced intake.

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Note 5 : - Graduation Fees

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Particulars	Ksh	Ksh
Graduation Fees	12,230,000	12,127,400
Totals	12,230,000	12,127,400

Note 6 : - Accommodation Income

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Particulars	Ksh	Ksh
Accommodation Fees	13,657,870	21,426,168
Totals	13,657,870	21,426,168

Note 7(a) : - IGA Income

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Particulars	Ksh	Ksh
Farm Income	7,844,266	7,802,645
Catering Income	8,424,405	4,737,074
Hire of Motor Vehicles	162,000	70,440
Guest House	14,707,892	8,477,185
Bookshop Sales	10,860,747	10,821,636
Fisheries	491,760	539,610
Conference & Workshops	258,000	387,000
UOESO Rent	1,500	-
Library Income	117,056	31,213
Rent Income	1,416,220	2,714,280
Sale of seedlings	55,008	133,450
EIA	7,379,260	5,539,050
Other IGA Income	3,299,236	2,605,156
Totals	55,017,350	43,858,739

There was a slight increase in graduation fees from the previous year as a result of increase in the number of Graduands in 2018. Accommodation fees declined from the previous year as a result of some first year students opting for private accommodation.

IGA income decrease in farm, guest house, bookshop sales, conference and rent were as a result of decreased University activities due to industrial action. Environmental Impact Assessments (EIA) increase resulted from proceeds from County Governments for training their staff in EIA course.

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Note 7(b) : - IGA Expenses

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Particulars	Ksh	Ksh
Farm Expenses	8,967,830	11,019,065
Catering Expenses	13,401,245	15,289,805
Guest House Expenses	7,198,561	4,751,784
Bookshop Expenses	9,986,289	11,128,527
Fisheries Expenses	259,670	196,890
Conference & Workshops Expenses	495,110	8,500
EIA Expenses	7,957,500	3,682,500
Other IGA Expenses	241,055	61,714
Totals	48,507,259	46,138,785

Note 7 : - Net IGA Income

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
Particulars	Ksh	Ksh
Farm Income	(1,123,564)	(3,216,419)
Catering Income	(4,976,840)	(10,552,731)
Hire of Motor Vehicles	162,000	70,440
Guest House	7,509,331	3,725,401
Bookshop Sales	874,457	(306,892)
Fisheries	232,090	342,720
Conference & Workshops	(237,110)	378,500
UOESO Rent	1,500	-
Library Income	117,056	31,213
Rent Income	1,416,220	2,714,280
Sale of seedings	55,008	133,450
EIA	(578,240)	1,856,550
Other IGA Income	3,058,181	2,543,442
Net Total IGA Income	6,510,090	(2,280,046)

Farm income declined mainly due to unpredictable weather conditions (prolonged draught and long rains between April to June, 2019) which affected operations). The operation was also affected by the lack of a farm manager who could make critical operational decisions. However, the university management has recruited a farm manager and with support from the farm committee, efforts will be made to improve management of the farm as an enterprise. It noted that the loss from the farm operation reduced to **Kshs.1.12 million** from **Kshs.3.22 million**. The value of stock reduced greatly due to poor market rates for the farm products especially maize.

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Catering made a loss of **Kshs.3.76 million** mainly because its sales were below market prices. The management has also put in place austerity measures to help revive catering and this has resulted in the reduction of loss from **Kshs.10.55 million** to **Kshs.4.98 million**, after benchmarking on how to efficiently manage catering unit.

The EIA had a loss primarily because of timing difference in where receipt were in June 2018 while the expenses were incurred in July 2018. It is important to note that the EIA training improved guest house income since participants are provided will catering services during training.

Note 8 : -Research Grants

	<u>Cumulative</u> 30-Jun-19	<u>Act. Audited</u> 30-Jun-18
<u>Particulars</u>	Ksh	Ksh
Research Administrative Fees	1,127,031	1,747,309
Totals	1,127,031	1,747,309

Note 9 : - Other Income

	<u>Cumulative</u> 30-Jun-19	<u>Act. Audited</u> 30-Jun-18
<u>Particulars</u>	Ksh	Ksh
Application Fees	1,233,259	1,177,956
Fines & Penalties	1,432,113	504,505
Miscelaneuos Income	1,080,546	615,792
Referral/Supplementary	3,408,700	1,844,500
Totals	7,154,618	4,142,753

Research income remained stable owing to moderate inflow of donor research funds that attract the 10% administrative fees which is a source of income to the University.

There was slight increase in Retake/Supplementary because of students' payment for disciplinary cases and supplementary exams respectively.

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Note 10(a) : - Staff Remuneration Costs

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Personal Emoluments	940,240,194	1,213,108,539
House Allowances	417,487,159	398,463,238
Other Personal Allowances	63,367,640	60,764,233
Commuter Allowances	132,817,300	129,248,505
Passage & Leave Allowance	5,492,668	5,756,901
Contracted Employees	17,693,186	24,914,829
Part Time Claims	186,075,966	134,322,607
PSSP Service Providers Disbursements	27,424,301	67,665,711
Totals	1,790,598,414	2,034,244,563

Note 10(b) : - Staff Gratuity & Pension Contributions

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Gratuity & Pension Contributions	139,670,696	174,365,109
Totals	139,670,696	174,365,109

Note 11: - Staff and Student Welfare

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Medical Expenses	80,980,420	61,360,610
Inter University Games & Other Students activities	8,999,697	12,695,631
Purchase of Uniforms & Clothing	788,975	2,495,286
Public Celebrations & Staff Welfare	3,520,526	3,891,989
Students Welfare & Other Activities	8,765,425	12,748,355
Staff Waivers	8,229,700	1,891,400
Totals	111,284,743	95,083,271

Staff remuneration cost remained stable with the slight increase being the annual increments and full impact of absorption of casuals. The huge amount in the previous year comprise of arrears paid during 2013/2017 CBA amounting to **Kshs.325 million**. Part time claims increase was due to backlog which is being regularised while decline in PSSP service provides was due to decline in student numbers thus payment was based on 27% of basic pay unlike in the previous year's 100% of basic pay.

Medical expenses rose due to emergent medical cases especially cancer which saw some staff members treated abroad. Other expenses in this category decline due to budget constrain and decline in student numbers.

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Note 12(a) : - Chancellors Expenses

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Chancellors Expenses	860,505	2,065,788
Totals	860,505	2,065,788

Note 12(b) : - Council Expenses

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Sitting Allowance	10,157,764	12,452,982
Travelling and Accomodation	12,414,130	10,421,397
Meals & Refreshments	1,678,803	734,128
Other Council Expenses	2,103,743	2,187,257
Totals	26,354,439	25,795,764

Council expenses remained stable following implementation of council almanac which progressed well during the current year.

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Note 13 : - Administration and Central Services Expenses

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Transport Fuel Expenses	4,811,658	6,167,652
Travelling & Accommodation	5,637,352	12,715,584
External Travelling & Accommodation	967,600	211,740
Postal & Telegrams	1,006,675	462,233
Telephone Expenses	1,908,001	4,321,311
Purchase of Stationary	12,993,026	16,717,951
Audit Fees Expenses	950,000	950,000
Insurance Expenses	20,088,925	21,912,907
Legal Expenses	10,295,634	11,700,578
Performance Contracting	7,522,706	4,641,217
Strategic Plan & Master Plan Design	2,556,718	17,098,700
Security Services	2,185,800	1,791,450
ISO & Quality Assurance Expenses	4,752,947	9,617,524
ERP Sytem Manteinance Expenses	313,200	398,120
Official Entertainment	692,725	499,800
Official Running Expenses	3,301,667	3,276,693
Recruitment & Training Expenses	4,860,255	9,952,593
Show, Marketing Expenses & Agribusiness Trade	3,639,049	6,768,360
Totals	88,800,916	129,204,410

Administrative expenses remained stable and decline from previous year due to strict implementation of the budget which also declined due to limited resources and decline in student population.

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Note 14 : - Academic, Research & Student Affairs Expenses

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Teaching Practice & Field Attachment	35,507,981	61,853,579
University Outreach Programme & Exhibition	6,709,270	2,907,300
External Examiners	8,274,084	1,655,397
Internet Services	11,407,458	11,249,567
Deans, Senate Committees & Conference Expenses	23,644,943	24,729,535
Graduation Expenses	10,781,073	16,643,326
Library Expenses	1,198,925	418,083
Library Periodicals & Journals	1,148,267	65,395
Teaching material expenses	2,996,141	3,950,323
Academic Field Trips	68,606,189	71,240,734
Examination Expenses	13,544,569	12,031,779
Postgraduate Supervision	12,838,057	7,503,152
Printing & Publications	2,530,766	329,890
Advertising & Publicity	11,572,964	15,126,014
Admission & Registration Expenses	35,657,445	29,696,309
University Funded Research Expenses	15,276,548	4,101,207
Totals	261,694,679	263,501,591

Teaching practice and field attachment normalized after previous year increased due to backlog of these activities from previous years as a result of industrial unrest by lecturers.

Deans, Senate Committees & Conferences expenses remained higher due to curriculum harmonization activities which were undertaken by the University in line with recommendations from Commission of University Education (CUE).

Admission and registration expense increased as a result of increase in levies charged by the Kenya Universities and Colleges Central Placement Services (KUCCPS) as well as accreditation of courses and regular institutional audit done by Commission of University Education (CUE).

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Note 15 : - Support Services

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Utilities (Electricity, Water & Conservancy)	44,326,593	35,566,239
Payment of Rent & Rates	17,719,320	18,469,167
Maintenance of Catering & Hostel Facilities	7,539,670	9,629,125
Cleaning Materials & Detergents	7,472,131	6,798,364
Maintenance of Plant, Furniture & Equipment	826,814	2,536,081
Maintenance of Computers	2,339,134	1,003,331
Maintenance of Buildings & Stations	3,076,860	17,009,198
Contract Services & Subscriptions	4,254,795	1,272,371
Maintenance of Water Suppliers & Sewerage	892,029	432,050
Maintenance of Playgrounds & Parks	827,361	577,355
Commercial Enterprises & IGU Working Capital	4,746,992	-
Newspapers	45,540	1,333,063
Maintenance of Motor Vehicles	3,080,751	4,210,571
Valuation & Tagging of Assets	-	5,000,000
Totals	97,147,990	103,836,915

Note 16 : - Finance Expenses

Particulars	30-Jun-19 Ksh	30-Jun-18 Ksh
Bank Charges & Commissions	1,474,842	1,465,021
Totals	1,474,842	1,465,021

Utilities, Cleaning Materials & Detergents increased due to additional offices, lecturer halls and laboratories following completion of School of education complex and engineering complex and outsourcing of cleaning services.

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Note 17: - Armotization & Depreciation Expenses

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Armotization of Land	1,975,309	1,975,309
Depreciation Buildings	25,294,709	23,418,773
Depreciation Motor Vehicles	14,888,570	23,016,167
Depreciation Computers and Assesories	12,474,608	6,450,319
Depreciation Furniture and Fittings	9,113,093	7,677,069
Depreciation plant and Equipment	10,524,747	7,905,840
Depreciation Library Books	3,879,681	2,765,680
Totals	78,150,716	73,209,158

Note 18-21:- Other Gains/(Losses)

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Gain/(Loss) on Disposal of Assets	10,894,974	9,019,039
Gain/(Loss) on Biological Assets	(2,470,377)	(10,571,654)
Increase/(Decrease) in Provision for Bad Debts	5,199,590	(1,842,480)
Totals	13,624,187	(3,395,095)

Depreciation increased mainly due to transfer of completed building projects from Work in Progress and acquisition of plant, equipment and library books respectively.

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Note 22 (a) : - Bank Balances

Particulars	Cumulative	Act. Audited
	30-Jun-19	30-Jun-18
	Ksh	Ksh
NBK-Main Account-0102107332500	41,508,961	11,578,969
Standard Chartered Bank (Kshs) Research Account	83,193,482	73,892,861
Standard Chartered Bank (Euro) Research Account	2,170,299	4,906
Standard Chartered Bank (Kshs-Edulink) Research	69,275	23,422
Co-operative Bank (Fees Collection)-0112918317000	36,869,431	40,509,580
Co-operative Bank (Canadian Dollar)	2,553	2,553
Co-operative Bank (Farm Account)-01129183170001	1,018,908	324,466
Equity Bank (Fees Collection)-0300297338822	27,914,482	32,952,233
Kenya Commercial Bank-Research(VLIR)	-	7,855
Kenya Commercial Bank (Fees Collection)	22,922,003	41,380,241
Standard Chartered Bank Fee Collection Account-(	2,907,994	1,895,194
Equity-Capital Development	22,384,723	104,792,687
KCB University of Eldoret -Town Campus (118416	5,164,455	8,007,949
Co-operative Bank (UESO) Account 0113467438470	362,004	3,435,950
Petty Cash account	300,000	55,034
Undeposited Funds	-	31,000
Totals	246,788,572	318,894,900

There was an overall reduction in bank balances a result of payments made during the period under review compared to the last financial year. The aggregate balance in University accounts amounted to **Kshs.161.35 million** and **Kshs.85.44 million** held in trust for research grants.

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Note 23(a) : - Receivables from Exchange Transaction

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Student Debtors	420,218,028	680,197,470
Provision for Bad Debts	(8,404,360)	(13,603,950)
	411,813,668	666,593,520
Staff Imprests	10,741,363	10,315,094
General Debtors	3,406,921	5,801,266
Deposit with Service Providers	5,530,567	5,530,567
Totals	431,492,518	688,240,447

Note 23(b) : - Receivables from Non-Exchange Transaction

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Exchequer Grants Receivable	159,663,858	-
Totals	159,663,858	-

Note 24 : - Inventories

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Lab Chemicals	4,208,117	4,328,816
Games Materials	1,851,454	910,448
Bookshop Books	3,443,039	2,790,491
Dry Food	1,311,965	1,233,882
Clinical Drugs	1,526,122	989,017
Consumables	9,500,244	6,627,128
Building Materials	4,929,246	1,011,599
Totals	26,949,163	17,891,381

Student debtors reduced in the current financial year mainly due to correction of Non-moving debtors during the financial year.

Provision for bad debts has been retained at 2% of outstanding debt as in previous.

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Note 25(a) : Property, plant and equipment

Cost	Land K.Shs	Buildings K.Shs	Motor Vehicles K.Shs	Computers/ Accessories K.Shs	Furniture & Fittings K.Shs	Plant & Equipment K.Shs	Library Books K.Shs	Totals K.Shs
At 1 July 2017	160,000,000	1,170,938,669	127,649,349	60,071,961	92,848,366	62,499,024	25,803,614	1,699,810,983
Additions 17/18	-	-	38,401,000	14,185,039	11,803,829	747,700	1,853,189	66,990,756
At 1 July 2018	160,000,000	1,170,938,669	166,050,349	74,257,000	104,652,195	63,246,724	27,656,802	1,766,801,739
Additions 18/19	-	-	3,956,000	5,761,875	12,019,231	30,691,668	11,140,009	63,568,782
Transfers from W.I.P 18/19	-	93,796,779	-	6,680,790	-	-	-	100,477,569
At 30 June 2019	160,000,000	1,264,735,448	170,006,349	86,699,664	116,671,426	93,938,392	38,796,811	1,930,848,091
Depreciation								
At 1 July 2017	12,211,082	309,756,410	107,833,093	57,143,036	59,662,005	20,735,873	7,487,154	574,828,653
Amortization 17/18	1,975,309	-	-	-	-	-	-	1,975,309
Depreciation 17/18	-	23,418,773	23,016,167	6,450,319	7,677,069	7,905,840	2,765,680	71,233,849
At 30 June 2018	14,186,391	333,175,183	130,849,260	63,593,355	67,339,074	28,641,713	10,252,834	648,037,811
Amortization 18/19	1,975,309	-	-	-	-	-	-	1,975,309
Depreciation 18/19	-	25,294,709	14,888,570	12,474,608	9,113,093	10,524,747	3,879,681	76,175,408
At 30 June 2019	16,161,699	358,469,892	145,737,830	76,067,963	76,452,167	39,166,461	14,132,515	726,188,527
Net book values								
At 30 June 2019	143,838,301	906,265,556	24,268,519	10,631,701	40,219,260	54,771,931	24,664,296	1,204,659,563
At 30 June 2018	145,813,609	837,763,486	35,201,089	10,663,645	37,313,121	34,605,010	17,403,968	1,118,763,928
Depreciation 18/19 Workings								
Cost as at 30th June 2019	160,000,000	1,264,735,448	170,006,349	86,699,664	116,671,426	93,938,392	38,796,811	1,930,848,091
Less: Assets Fully Depreciated	-	-	110,452,071	49,272,098	43,766,684	9,740,412	-	213,231,265
Assets to be depreciated	160,000,000	1,264,735,448	59,554,278	37,427,566	72,904,742	84,197,980	38,796,811	1,717,616,825
Straight line depreciation rate	81 years	2%	25%	33.33%	12.5%	12.5%	10%	
Depreciation for 18/19	1,975,309	25,294,709	14,888,570	12,474,608	9,113,093	10,524,747	3,879,681	78,150,716

Assets worth Kshs.63.57 million were procured and Kshs.100.48 million transferred from work in progress (WIP) during the year shown as additions 2018/2019 and depreciation amounting to Kshs.78.15 million provided for the same period based on the rates in the notes, less assets depreciated to zero value.

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Note 26: Work-In-Progress

Particulars	30-Jun-19		Transfers		Additions		30-Jun-18	
	Ksh		Ksh		Ksh		Ksh	
W.I.P Acquisition of Software	15,312,000		6,680,790		6,680,790		15,312,000	
W.I.P Hotel & Hospitality Labs	-		26,101,362		-		26,101,362	
W.I.P Engineering Complex	6,786,176		-		5,770,926		1,015,250	
W.I.P Flood Lights	1,170,574		-		-		1,170,574	
W.I.P CCTV Installation	1,843,249		-		-		1,843,249	
W.I.P Economics & Bns Mgt Complex	157,114,910		-		58,437,524		98,677,386	
W.I.P Main Gate	-		13,825,892		-		13,825,892	
W.I.P Perimeter Wall	36,916,659		34,833,000		20,990,525		50,759,134	
W.I.P Milk Coolant	10,829,072		-		4,051,571		6,777,501	
W.I.P Refurbishment of Old Library	19,770,309		-		1,511,821		18,258,488	
W.I.P Health Clinic	-		9,003,475		4,494,426		4,509,049	
W.I.P Hotel Academia Kitchen	-		10,033,050		10,555,050		-	
Totals	249,742,949		100,477,569		112,492,633		238,249,885	

The University is committed to continue with the construction of Schools of Economics and Business Studies which is at 80% completion, construct an entry lane from the gate to administration block, Complete phases II and phase IV of Perimeter wall.

Construction of the hotel and hospitality laboratory, main gate and phase III of perimeter wall funded by government as well as health services clinic and hotel academia kitchen funded using internally generated funds were completed and transferred to Property, plant and equipment under buildings.

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Note 27:- Biological Assets

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Maize	1,177,219	2,677,940
Wheat	727,892	1,288,850
Dairy Livestock	12,100,000	13,000,000
Pigs	184,500	567,500
Trees	102,950	73,595
Fish	2,003,560	1,158,613
Totals	16,296,121	18,766,498

Note 28 (a) :- Trade Payables

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Trade Creditors	38,951,488	62,756,966
With-Holding Tax	(9,499)	(9,499)
Capital Creditors	1,506,549	8,139,970
Commissioner of Domestic Taxes	4,046,244	4,038,246
Retention (Contractor)	36,224,914	31,107,177
VAT Taxes	1,175,504	2,258,694
Totals	81,895,200	108,291,553

There was a deliberate effort to pay off outstanding bills in order to comply with performance contracting requirements and the presidential directive.

Trade creditors which were non-moving were circularization and corrections made on the same after appropriately approvals were obtained.

Retention (Contractor) increased due to increase in Work in Progress activities being carried out by the University.

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Note 28 (b) :- Other Payables - Students

	<u>Cumulative</u>	<u>Act. Audited</u>
	<u>30-Jun-19</u>	<u>30-Jun-18</u>
<u>Particulars</u>	<u>Ksh</u>	<u>Ksh</u>
Prepaid Fees (Students)	97,000,888	89,489,503
Caution Money	13,592,044	13,755,944
HELB-Loan Students	5,282,130	14,340,730
HELB-Bursaries Students	178,000	178,000
CDF- Constituency Development Fund	17,860,215	16,140,365
Sponsorships	19,796,166	18,978,018
Unallocated Fee	77,413,728	80,017,455
Totals	231,123,170	232,900,014

Note 28 (c) :- Other Payables - Payroll

	<u>30-Jun-19</u>	<u>30-Jun-18</u>
	<u>Ksh</u>	<u>Ksh</u>
<u>Particulars</u>		
Staff Insurance	-	99,643
WELFARES	(0)	147,359
PENSION	44,412,300	44,412,300
UNION DUES	-	133,169
Salary Recovery	-	168,550
Part Time Lecturers	87,641,490	52,462,555
Totals	132,053,790	97,423,576

Student Payables reduced as a result of invoicing of students, posting of HELB loans and students presenting their deposit slips hence facilitating posting to their ledgers.

Pension amount shown as due is for employer Pension and Provident fund arrears for the National CBA covering the period 1st July 2013 to 30th November 2017. This comprise of outstanding employer pension of Kshs 39.34 million and provident fund Kshs.5.07 million. This was paid in July 2019 after receipt of funds from exchequer for the same.

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Note 29 :- Accruals and Provisions

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Provision for Audit Fees	2,085,000	1,990,000
Payroll Recoveries	6,878,746	4,462,671
Accrued Expenses	164,630,181	194,687,676
Totals	173,593,926	201,140,347

Note 30 :Research Fund Account

	30-Jun-19	30-Jun-18
Particulars	Ksh	Ksh
Donor Funded Research Receipts	181,207,368	161,683,158
Donor Funded Research Disbursements	(101,277,531)	(88,878,109)
Totals	79,929,837	72,805,049

Note 31 : UoESO Fund Account

	<u>Cumulative</u> 30-Jun-19	<u>Act. Audited</u> 30-Jun-18
Particulars	Ksh	Ksh
UoESO Funds Receipts	7,711,820	6,428,885
UoESO	3,698,750	4,706,150
UoESO Funds Disbursements	(6,009,980)	(3,423,215)
Totals	5,400,590	7,711,820

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown in Table 11 below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Valuation of Assets	The process is completed and report available awaiting approval and adoption.	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2018/2019 FY
2.0	Motor Vehicle Ownership	Logs books transferred to University of Eldoret	Prof. Teresa A.O. Akenga, V. Chancellor	Resolved	2018/2019 FY
3.0	Student Debtors	Non Moving debtors have been corrected based on confirmation by deans and approval by management	Prof. Teresa A.O. Akenga, Vice Chancellor	Resolved	2018/2019 FY
4.0	Outstanding Imprest and General Debtors	These are unconditional funds from NRF given to postgraduate students as per condition attached thereto. General debtor have also been ascertained and given notice.	Prof. Teresa A.O. Akenga, Vice Chancellor	Partially resolved	2019/2020 FY

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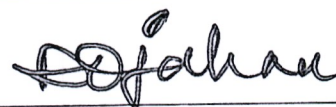
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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Recoveries have been initiated through external parties.			
Other Matters					
1.0	Unremitted employee pension contribution	Fund were released through final supplementary budget of 2018/2019 and payment done in July 2019	Prof. Teresa A.O. Akenga, Vice Chancellor	Resolved	2018/2019 FY
2.0	Loss from Income Generating Units (IGU)	Report of taskforce formed by management was implemented during the year and this reduced the loss by 50%. Full implementation will see the IGU's make profits	Prof. Teresa A.O. Akenga, Vice Chancellor	Partially resolved	2019/2020 FY



Prof. Teresa A.O. Akenga, MRSC, MBS, MBA
Vice Chancellor

Date.....20/11/2019.....



Dr. David Ojaka
Chairman of Council

Date.....21/11/2019.....

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Appendix 1: PROJECTS IMPLEMENTED BY THE ENTITY

Note 32 (a) : Projects Details

Project title	Number	Donor	Period/ duration	Donor commitment	Separate donor reporting	Comments
1. School of Economics and Business Management Sciences		GOK	2017 - 2019	241,236,042	no	
2. Renovation of Old Library into Offices		GOK	2017 - 2018	25,406,093	no	
3. Cabling of School of Education Complex		GOK	2017 - 2019	10,000,000	no	
4. Cabling of Engineering Workshops		GOK	2017 - 2018	15,000,000	no	
5. Construction Perimeter Wall Phase II & III		GOK	2017 - 2018	67,277,800	no	
6. Construction Main Gate Phase I & II		GOK	2017 - 2018	3,000,000	no	
7. CCTV Phase II		Internal	2017 - 2018	325,562	no	
8. High Mast Floodlights Phase III		Internal	2017 - 2018	3,448,720	no	
9. Hotel & Hospitality Labs		GOK	2017 - 2019	-	no	
10. Construction of Milk Cooler House		Internal	2017 - 2018	10,076,150	no	
11. Expansion of Health Clinic		Internal	2017 - 2018	3,000,000	no	
12. Expansion of Bus Park/Bay		Internal	2017 - 2018	2,000,000	no	
13. Renovation of Hotel Academia Kitchen		Internal	2017 - 2019	10,000,000	no	
14. Design of Student Hostels PPP Projects		Internal	2017 - 2018	5,000,000	no	
15. Secondary School Laboratory		Internal	2018 - 2019	5,000,000	no	
16. Acquisition of Software		Internal	2017 - 2018	19,500,000	no	

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Appendix 2: INTER-ENTITY TRANSFERS

I. APPENDIX 2: INTER-ENTITY TRANSFERS

ENTITY NAME:		UNIVERSITY OF ELDORET	
Break down of Transfers from the State Department of Education			
FY 18/19			
a. Recurrent Grants			
	Bank Statement	Amount (KShs)	FY to which the amounts relate
State Department University Education	03.08.2018	146,077,737.00	2018/19
State Department University Education	30.08.2018	146,077,737.00	2018/19
State Department University Education	01.10.2018	146,077,737.00	2018/19
State Department University Education	07.11.2018	146,077,737.00	2018/19
State Department University Education	03.12.2018	137,313,073.00	2018/19
State Department University Education	27.12.2018	137,313,072.00	2018/19
State Department University Education	01.02.2019	143,156,182.00	2018/19
State Department University Education	07.03.2019	143,156,182.00	2018/19
State Department University Education	28.03.2019	134,391,519.00	2018/19
State Department University Education	02.05.2019	146,077,737.00	2018/19
State Department University Education	06.06.2019	146,077,737.00	2018/19
State Department University Education	28.06.2019	146,077,737.00	2018/19
	Total	1,717,874,187.00	
b. Development Grants			
	Bank Statement	Amount (KShs)	FY to which the amounts relate
State Department University Education	13.02.2019	38,270,818.00	2018/19
State Department University Education	13.02.2019	10,040,000.00	2018/19
State Department University Education	22.03.2019	25,585,788.00	2018/19
State Department University Education	22.03.2019	4,003,694.00	2018/19
State Department University Education	28.05.2019	11,641,264.00	2018/19
	Total	89,541,564.00	
c. Direct Payments			
	Bank Statement	Amount (KShs)	FY to which the amounts relate
		-	
		-	
		-	
	Total	-	
d. Donor Receipts			
	Bank Statement	Amount (KShs)	FY to which the amounts relate
		-	
		-	
		-	
	Total	-	

The above amounts have been communicated to and reconciled with the parent Ministry

CPA.FA Ereu Totona
Finance Officer
University of Eldoret

Sign

Robert Asumani Samuel
Head of Accounting Unit
State Department For University Education

Sign

29/5/19

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Appendix 3: STATEMENT OF CASH FLOWS NOTES

	Note	Statement of Financial Performance 30-Jun-19 Kshs.	Changes in Statement of Financial Position Kshs.	Statement of Cash Flow 30-Jun-19 Kshs.
Cash flows from operating activities				
Receipts				
Exchequer Grants (Recurrent)	A	1,877,538,045	(159,663,858)	1,717,874,187
Tuition Income	B	458,144,452	78,458,232	536,602,684
Administrative and Related Fees	C	236,580,970	(163,900)	236,417,070
Graduation Fees		12,230,000	-	12,230,000
Accommodation Fees		13,657,870	-	13,657,870
Income Generating Activities Income	D	6,510,090	2,394,345	8,904,435
Research Administrative Fees		1,127,031	-	1,127,031
Other Income		7,154,618	-	7,154,618
		<u>2,612,943,075</u>	<u>(78,975,180)</u>	<u>2,533,967,895</u>
Payments				
Staff Remuneration Costs	E	1,790,598,414	(34,630,214)	1,755,968,199
Staff Gratuity and Pension Contributions		139,670,696	-	139,670,696
Staff and Student Welfare		111,284,743	-	111,284,743
Council Expenses		860,505	-	860,505
Council Expenses		26,354,439	-	26,354,439
Administration and Central Services Expenses	F	88,800,916	40,169,564	128,970,480
Academic, Research & Student Affairs Expenses	G	261,694,679	3,214,819	264,909,498
Support Services		97,147,990	-	97,147,990
Finance Expenses		1,474,842	-	1,474,842
Depreciation		78,150,716	(78,150,716)	-
		<u>2,596,037,940</u>	<u>(69,396,548)</u>	<u>2,526,641,392</u>
Changes in Payables				
Donor Research Grants		-	-	7,124,788
UoESO Fund Accounts		-	-	(2,311,230)
Net cash flows from operating activities				<u>12,140,061</u>
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible a		-	-	(63,568,782)
Increase in work in progress (WIP)		-	-	(112,492,633)
Increase in investments		-	-	2,273,462
Net cash flows used in investing activities		<u>-</u>	<u>-</u>	<u>(173,787,953)</u>
Cash flows from financing activities				
Government Capital grants		-	-	89,541,564
Net cash flows used in financing activities		<u>-</u>	<u>-</u>	<u>89,541,564</u>
Net increase/(decrease) in cash and cash equivalents				<u>(72,106,329)</u>
Cash and cash equivalents at 1 July				318,894,900
Cash and cash equivalents at 30 June		<u>-</u>	<u>-</u>	<u>246,788,572</u>

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Note A : - Exchequer Grants Receivable

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
13-09-000	Exchequer Grants Receivable	A	159,663,858	-	(159,663,858)
	Total		159,663,858	-	(159,663,858)

Note B : - Tuition

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
13-01-000	Student Debtors	B	420,218,028	680,197,470	259,979,442
21-02-001	Prepaid Fees (Students)	B	97,000,888	89,489,503	7,511,385
21-02-003	HELB-Loan Students	B	5,282,130	14,340,730	(9,058,600)
21-02-004	HELB-Bursaries Students	B	178,000	178,000	-
21-02-005	CDF- Constituency Development	B	17,860,215	16,140,365	1,719,850
21-02-006	Sponsorships	B	19,796,166	18,978,018	818,148
21-02-007	Unallocated Fee	B	77,413,728	80,017,455	(2,603,727)
22-04-000	Provision for Bad Debts	B	8,404,360	13,603,950	(5,199,590)
30-02-000	Revenue Reserves	B	(174,708,676)	-	(174,708,676)
	Total		471,444,838	912,945,491	78,458,232

Note C : - Administrative and Related Fees

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
21-02-002	Caution Money	C	13,592,044	13,755,944	(163,900)
	Total		13,592,044	13,755,944	(163,900)

Note D : - Income Generating Activities Income

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
13-07-000	General Debtors	D	3,406,921	5,801,266	2,394,345
	Total		3,406,921	5,801,266	2,394,345

Note E : - Staff Remuneration Costs

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
21-03-006	Staff Insurance	E	-	99,643	99,643
21-03-009	WELFARES	E	(0)	147,359	147,359
21-03-011	UNION DUES	E	-	133,169	133,169
21-03-012	Salary Recovery	E	-	168,550	168,550
21-03-015	Part Time Lecturers	E	87,641,490	52,462,555	(35,178,935)
	Total		87,641,490	53,011,276	(34,630,214)

Note F : - Administration & Central Services

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
13-10-000	Deposit with Service Providers	F	5,530,567	5,530,567	-
21-01-001	Trade Creditors	F	38,951,488	62,756,966	23,805,478
21-01-006	Capital Creditors	F	1,506,549	8,139,970	6,633,421
21-01-007	Commissioner of Domestic Tax	F	4,046,244	4,038,246	(7,998)
21-01-008	Retention (Contractor)	F	36,224,914	31,107,177	(5,117,738)
21-01-009	VAT Taxes	F	1,175,504	2,258,694	1,083,190
22-01-000	Provision for Audit Fees	F	2,085,000	1,990,000	(47,500)
22-03-000	Payroll Recoveries	F	6,878,746	4,462,671	(1,208,038)
22-05-000	Accrued Expenses	F	164,630,181	194,687,676	15,028,748
	Total		261,029,192	314,971,966	40,169,564

Note G : - Academic, Research & Student Affairs

Code	Particulars		30-Sep-19 Ksh	30-Jun-18 Ksh	Changes Ksh
13-06-000	Staff Imprests	G	10,741,363	10,315,094	426,269
22-01-000	Provision for Audit Fees	G	2,085,000	1,990,000	(47,500)
22-03-000	Payroll Recoveries	G	6,878,746	4,462,671	(1,208,038)
22-05-000	Accrued Expenses	G	164,630,181	194,687,676	15,028,748
30-02-000	Revenue Reserves	G	(10,984,660)	-	(10,984,660)
	Total		173,350,629	211,455,440	3,214,819

