

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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Mainah Karisiko

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**JARAMOGI OGINGA ODINGA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

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

THE NATIONAL ARCHIVES
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Washington, D.C. 20540
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JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDING
JUNE 30, 2019

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

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

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I. KEY INFORMATION AND MANAGEMENT

a) Background Information

Jaramogi Oginga Odinga University of Science and Technology (JOOUST) was established under the Universities Act No. 42 of 2012 by grant of Charter on 13th February 2013. At the Cabinet level, the University is represented by the Cabinet Secretary for Education, Science and Technology. The Cabinet Secretary is responsible for the overall policy and strategic direction of the University. The University has approved Statutes which is the internal regulatory instrument. The Vice Chancellor is the academic and administrative head of the University. The University is organized into three Divisions; Academic Affairs, Planning, Administration and Finance and Research, Outreach and Innovation. Academic and research operations are organized through schools, institutes, directorates and departments.

b) Principal Activities

The principal activities of the University are to offer high quality university training, carry out innovative research and community outreach for sustainable socio-economic development.

JOOUST Vision is "A beacon of excellence and global leader in University education for sustainable development". On the other hand, the University's mission is "To provide quality education that nurtures creativity and innovation through integrated training, research and community outreach for the advancement of humanity. The University is anchored on the philosophy of holistic scholarship service to humanity through wisdom, science and technology. The University corporate/Core values are **C**ustomer focus, **I**mpartiality, **P**rofessionalism, **I**ntegrity and **M**eritocracy. (CIPIM)

Strategic Themes

The following five key strategic themes or key results areas are derived from the five strategic issues.

- (i) Capacity Building
- (ii) Quality Education and Training
- (iii) Research and Consultancy
- (iv) Community Outreach
- (v) Resource Mobilization

Motto

Oasis of Knowledge

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c) Key Management

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

1. The University Council
2. The Vice Chancellor/CEO
3. The Senate
4. The University Management Board.

(d) Key Management Personnel

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

S/No	Name	Designation
1	Prof. Stephen G. Agong', PhD, FASS	Vice-Chancellor/Chief Executive Officer
2	Prof. Joseph Bosire, PhD	Deputy Vice-Chancellor (Academic Affairs)
3	Prof. Benson B.A. Estambale, PhD	Deputy Vice-Chancellor (Research, Innovations and Outreach)
4	Prof. Francis Ang'awa Okere	Ag. Deputy Vice-Chancellor Planning, Administration & Finance)
5	Dr. Walter Akuno, PhD	Registrar (Academic Affairs)
6	Dr. Patrick J. Akhaukwa, PhD, CPS (K)	Registrar (Research, Innovations & Outreach)
7	CS. Rosemary A. Ngesa, EMBA, CPS (K)	Registrar (Administration and Planning)
8	CPA Nancy Muchai, MBA CPA (K)	Ag. Chief Finance Officer
9	CPA Nelly Ako	Ag. Chief Internal Auditor
10	Mr. Dickson Oruko Seda	Ag. Procurement Manager

e) Fiduciary Oversight Arrangement

The University is answerable to key government organs on financial management and is from time to time oversighted by the following organs for compliance;

- i. Commission for University Education
- ii. The Public Accounts Committee of the National Assembly
- iii. Public Procurement Oversight Authority
- iv. Ethics and Anti-Corruption Commission
- v. University Council
- vi. Audit and Finance Committees Activities

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KEY ENTITY INFORMATION AND MANGEMENT (Continued)

f) University Headquarters

Main Campus, Bondo-Usenge Road
P.O Box 210-40601
Bondo. Kenya

g) University Contacts

Telephone: (254) 057-2058000/ 2501804
E-mail: vc@jooust.ac.ke
Website: www.jooust.ac.ke

h) University Bankers

Kenya Commercial Bank Ltd
Bondo Branch
P. O. Box 598 - 40601
Bondo, Kenya

Equity Bank Ltd

Bondo Branch
P.O Box 261 - 40601
Bondo, Kenya

Co-operative Bank of Kenya Ltd

Bondo Branch
P.O. Box 380 - 40601
Bondo, Kenya

Barclays Bank of Kenya Ltd

Kisumu Branch
P.O. Box 831-40100
Kisumu, Kenya.

i) Independent Auditors

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

j) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112 - 00200 City Square.
Nairobi, Kenya

II. UNIVERSITY COUNCIL

	<p>Amb. Steven A. Loyatum, Ag. Chairman D.O.B - B.Ed (Science) Hon (UON), MSC (UoN, PGD (Oxford & University of Paris VII PGDS&ST) With wide public, diplomatic and international relations' service experience.</p>
	<p>Ms. Joyce N. Karinge D.O.B – Chairman, Technical, Academic, Research and Projects Committee B.Ed (KU), MBA (ANU), MSP, PRINCE 2, CBAP ITIL, TOGAF 9.1 With wide private sector experience in the project management and leadership.</p>
	<p>Mr. Ibrahim M. Mutembe, D.O.B, Chairman Finance, Administration and Human Resource Committee LLB Hon (UON), MA (Moi), DIP Law (KSL) DIP DBM (UON) With wide management and leadership experience in legal, financial and land matters.</p>
	<p>Dr. Anne A. Oburu D.O.B - Bachelor of Medicine and Bachelor Surgery (Lumumba); M. MED Paediatrics (UoN, KNH). With wide experience in public service. Worked as Doctor in Charge of Paediatrics Nyanza General Hospital, Coast Provincial Hospital, and private practice.</p>
	<p>Dr. Jonah K. Kangogo Chairman, Audit, Risk and Governance Committee ACI, CAMS, B.Ed (Hons) (Moi), MSC, EMBA, PHD (JKUAT) With wide private sector experience in the governance, audit and financial management.</p>
	<p>Mr Micah Origa D.O.B - B.Com, MBA (Calicut University), CPA (K) Alternate to CS, the National Treasury With wide leadership, management and governance in the public and financial sectors.</p>
	<p>Mr. Richard Limo D.O.B - B.Ed. (Moi), Mphil (Moi) Representative of P.S State Dept. for University Education and Research (MOE) Regional Coordinator of Education, Nyanza region.</p>
	<p>Prof. Stephen Gaya Agong, PhD, FAAS D.O.B - Vice Chancellor and Chief Executive Officer; Ex- officio member and Secretary to the Council With wide leadership and management in the university education.</p>

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III. UNIVERSITY MANAGEMENT BOARD

	<p>Prof. Stephen Gaya Agong' Vice Chancellor and Chief Executive Officer Holds BSc, MSc (UoN) PhD (Giessen) and Post-Doctoral (Okayama); Professor of Horticulture with wide experience in University Management and Leadership spanning over 30 years in different Universities and International organizations. He is an academic of high standing with over 100 scientific publications in refereed journals. A fellow of the Africa Academy of Sciences and Matsume. He is the academic and administrative head of the University.</p>
	<p>Prof. Joseph Bosire Deputy Vice Chancellor(Academic Affairs) Deputy Vice Chancellor in charge of Academic Affairs Division of the University; holds B.Ed. (Arts) (UoN), M.Ed. and Ph.D. (KU); Professor of Education with over 25 years of academic and administrative experience at University level.</p>
	<p>Prof. Benson Estambale Deputy Vice Chancellor (Research, Innovation and Outreach) Holds M.B.Ch.B (UoN), M.Sc.,DTM&H,(LSTM), Ph.D.(UoN); A Professor of Medical Microbiology; has close to 33 years of academic and administrative experience at University level and has wide publication record in the field of medicine</p>
	<p>Prof. Francis Ang'awa Ag. Deputy Vice Chancellor(Planning, Administration and Finance) Holds B.Ed (Sc) (UoN), MSc (UoN) and PhD.(Newcastle,UK) with over 27 years of University teaching and 15 years of University administration.</p>
	<p>Dr. Walter Akuno Registrar (Academic Affairs) Holds Diploma, B.Sc,M.Sc.PhD,(Egerton) with over 21 years' experience in administration in the public service and university environment. He is responsible to the DVC (AA) for administration of academic programmes.</p>
	<p>CS. Rosemary Akoth Ngesa Registrar (Planning and Administration) Holds B.A (UON), EMBA (JKUAT), Certified Public Secretary of Kenya (ICPSK) and a Member of the Institute of Certified Secretaries of Kenya. Has over 25 years' experience in administration and management at university level. She is responsible to the DVC (PAF) for management of human resources and general administration and planning.</p>
	<p>Dr. Patrick Akhaukwa Registrar (Research, Innovation and Outreach) Holds B.A. (KU), MSc.(MMUST) and PhD.(Moi) with over 23 years administrative experience. He is a Member of the institute of Certified Public Secretaries of Kenya and the Institute of Human Resource Management. He is responsible to the DVC (RIO) for administration of research and community outreach programmes.</p>
	<p>CPA Nancy Muchai, Ag. Chief Finance Officer Holds B.Sc. Statistics (Maseno); MBA (Maseno) with over 13 years' experience in financial management in Universities system. She is a Certified Public Accountant of Kenya (CPA-K), Certified Security and Investments Analyst (CSIA) and registered member of ICPAK. Responsible to the DVC (PAF).</p>

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IV. CHAIRMAN'S STATEMENT



- I am pleased to present the Annual Report and Financial Statements of Jaramogi Oginga Odinga University of Science and Technology for the year ended 30th June 2019. During the year, the University received capitation from the National Government to support its activities. The University was also able to attract research grants from research partners and collaborators to supplement state funding and promote research as a core activity. The University continued with the teaching and learning mandate.

During the year 2018/2019, we met most of our financial obligations in time, settling bills and paying suppliers and contractors in time. The University has lived to ideals of integrity and accountability in the management of its financial resources. Over the same period, the University experienced a financial downturn occasioned by reduction in Government Capitation and a drop in direct revenue from students as a result of significant reduction in placement and applicants for self-sponsored module of learning. Nevertheless, the University managed to stay afloat within the constraint, taking necessary austerity measures to ensure efficiency and effectiveness in application of available resources.

At the beginning of the financial year, the Council committed to undertake infrastructure and staff development as well as increase in students' enrollment at both undergraduate and postgraduate levels. During the year, we were able to commence three major projects; construction of the administration block, tuition blocks and research complex. We have also overseen the completion of the University Health Services Block and equipping of the Research Laboratory. Construction of modern library is ongoing. We have over sighted staff career growth including promotion of meriting staff in all cadres.

In line with our vision, **A beacon of excellence in University Education** the University has embraced and continues to operate within the framework of public sector performance improvement measures. To this end, we have successfully transitioned to Quality Management System based on ISO 9001:2015 standards in which we received certification. We have reviewed the University's Strategic Plan 2016-2021. The revised Plan has taken into consideration key development factors and is also aligned to the "Big Four Agenda" that the country's leadership has spelt out to spur national development. The University also continues to operate within the negotiated Performance Contracting targets and our aim is to surpass the targets all the time.

Moving forward, the University has embraced the transformations in the higher education sector and we are in the process of restructuring in response to the changing environment and expectations. The University shall expedite full automation of its processes and continue to enhance its capacity to manage the ever-emerging dynamics in its pursuit to provision of market driven academic programmes designed to meet Kenya's socio-economic needs. In addition, the University shall engage more partners in research, consultancies and collaborations. We also have earmarked four key projects to stimulate expansion, namely; Research Innovation; Incubation Complex; Water Institute and a Confucius Institute.

I wish to thank the Chancellor and my colleagues, Council members, for unequivocal support in providing leadership to the University during the past year. I also wish to acknowledge the Senate and University Management Board for their commitment which has immensely contributed to the success of the University and in particular delivery of programmes and frugal management of resources respectively.

In conclusion, I thank the Government with whose enormous support, both technical and financial, enabled the University finance the bulk of its expenditures. I further express the sincere gratitude to the community and all other stakeholders for sustaining and conducive environment for research, teaching and learning and which enabled the university accomplish its programmes and other activities uninterrupted throughout the year.

I look forward to all of us working together to make JOOUST the University of choice in times to come.

Amb. Steven A. Loyatum,
Ag. Chairman of Council.

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V. REPORT FROM THE VICE CHANCELLOR



The University has over the years made significant progress and built on our strengths to earn a global reputation towards becoming a world class institution committed to scholarly excellence. We have spared no effort to establish a conducive learning environment as we exemplify provision of quality education that nurtures creativity and innovation through integrated training, research and community outreach for advancement of humanity.

The 2018/2019 Annual Report is a statement of the status of the University during the year, detailing issues relating to resources including financial resources, human capital, infrastructure and intellectual property.

During the year under review, the University embarked on substantial infrastructure development, the most notable were the completion and commissioning of the Research Laboratory at the Main Campus by His Excellency the President Hon. Uhuru Kenyatta, EGH on 14.12.2018, completion of the University Health Unit, commencement of construction of ultra-modern Administration Block at the main campus, Tuition Block for the School of Engineering at Achiego and Research Centre at Miyandhe. We also embarked on upgrading existing facilities to improve the serenity of our learning and work environment. The University embarked on a programme to remediate damaged buildings including the office block and students residential facilities at the main campus.

The overall aim is to provide an enabling environment that is specifically suitable for academic enterprise. We continue to offer quality education and training that meets the expectations of industry and the general citizenry. Our programmes continue to be reviewed to make them relevant and in tandem with industry requirements.

The students have demonstrated commitment to studies. The staff, on the other hand, has delivered full academic years of teaching culminating into molding focused graduates who are ready to take their place in national development. The 6th Graduation ceremony held on 14th December 2018 was presided over by the Chancellor, Dr. Vimal Shah and graced by His Excellency the President of the Republic of Kenya, Hon. Uhuru Kenyatta, CGH. A total of 1,984 candidates were conferred degrees and awarded diplomas and certificate qualifications. During the Ceremony, the University conferred the Honorary Degree (*Honoris Causa*) of Doctor of Science upon His Excellency the President and the Rt. Hon. Raila Amolo Odinga, EGH.

While we have successfully delivered over 64 programmes during the year, the University has to restructure the programmes as a result of reforms in the education system and administration of university entrance examinations. This has seen a marked reduction in students posted to the University by the Kenya Universities and Colleges Central Placement Service from 3,000 to just over 850. The self-sponsored student numbers are also on the decline. The University therefore has to realign the programmes to the new developments and face the reality of reduced revenue from tuition.

In the quest to stamp a global presence and make a difference, the University is building an international reputation and attracting young scholars from around the world courtesy of the World Bank Supported African Centre of Excellence (ACE II) programme in sustainable use of Insects for feed and food. The University has nurtured and built international education as a priority under the project. It has enrolled graduate students mainly in Agriculture from various African countries. In February 2019, we organized the 2nd JOOUST International Scientific Conference. The conference attracted Scientists from various parts of the world who presented papers which elicited academic discourse. We will continue to hold more conferences of this nature in the coming years.

JOOUST staff are increasingly excelling in research and exploring new frontiers for innovation. The University continued providing small grants to scholars who are engaging in research, innovation and technology. Our

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flagship research project ACE INSEFOODS has revolutionized the thinking on food security and researchers are breaking borders to promote the use of edible insects for food and feeds including discovering more insect species that traditionally were not thought of as edible. There is a growing change in consumer mindset.

The Council continues to demonstrate commitment towards improving the University particularly in the area of improving its capacities. The University continues to encourage and support staff to participate in short trainings, conferences, workshops and symposia as well as acquisition of skills by technical staff to improve their competency levels. We conducted a successful JOOUST second International Scientific Conference, which attracted participants from all over the world. During the year under review, the University conducted interviews and promoted staff in various cadres including at senior level of professor and Associate Professor. We shall continue doing so in the future and elevate serving employees who meet the minimum requirements for promotions. It is also important to note that the University has transitioned to the ISO 9001:2015 standards, and established Information Security Management System (ISMS), which is important in ensuring confidentiality, integrity, safety and availability of information to stakeholders within and without the University.

The report also details the University's financial performance during the year, which shows that the institution is financially healthy. The University has managed a stable working capital, which has largely remained consistent with the performance of the previous fiscal year. The University Management in the year under review continued with the pursuit of prudent financial management in its bid to strengthen the institutional capacity. The liquidity position declined significantly in the year under review. Overall, the University remains a going concern and nothing has come in to the attention of the Council to change this.

In conclusion, we look forward to prosperous times ahead within the constraints. We shall exploit every opportunity to propel the University as an excellent Centre for teaching, research and outreach for the advancement of the students, staff and stakeholders.

Prof. Stephen Gaya Agong'
Vice-Chancellor

VI. CORPORATE GOVERNANCE STATEMENT

The Council and the Senior Management are committed to the highest level of corporate governance. The University considers corporate governance as paramount for business integrity and maintaining stakeholders trust in the University. Our business principles set out in our core values and the set standards ensures that we operate lawfully, with integrity and respect, observing and respecting the culture of the people of Kenya and particularly those of our customers. We believe that our sphere of influence with regard to good corporate governance should be extended to our stakeholders and business relationships. We continue to engage with our stakeholders in a mutually beneficial and sustainable manner in an environment of equity, mutual respect and honesty. It is our corporate policy that our corporate engagements are in observance of the highest standards of professional ethics that promotes Credibility, Professionalism and Accountability.

Appointment, and Removal, Composition and Size of the Council

The Council is the governing body of the University and is responsible for the overall governance. It consists of nine members appointed by the Cabinet Secretary, Ministry of Education as follows; Chairman, the Principal Secretary in the Ministry of Education State Department for University Education and Research, the Cabinet Secretary in charge of the National Treasury and Planning and five other members. The Vice Chancellor is an ex-officio member and Secretary to the Council. The Cabinet Secretary may from time to time remove or replace a member of Council for a good cause. Vacancies may also arise in the Council when a member resigns, at the expiry of a member's term or death while serving in office.

The roles of the Council as stipulated in the Universities' Act No. 42 of 2012 include:-

- I. Employ staff
- II. Approve the statutes of the University and ensure they are published in the Kenya Gazette;
- III. Approve the policies of the University
- IV. Approve the budget
- V. Recommend for the appointment of the Vice-Chancellor, Deputy Vice-Chancellors and principals of constituent colleges through a competitive process; and
- VI. Undertake other functions set out under the Act and JOOUST Charter.

Other functions and roles of the Council include:

- I. Strategic Leadership: approving, monitoring, and guiding the implementation of the University's Strategic plan.
- II. Performance Evaluation: Setting performance targets and reviewing of the University's results so as to ensure the achievement of the operational plans.
- III. Integrity of Financial Reporting: Reviewing and monitoring controls, policies and procedures put in place to ensure integrity in the University's accounting records and the financial statements.
- IV. Risk Management and Compliance: Monitoring and reviewing the policies and procedures put in place by the management to ensure that the various risks facing the University are effectively mitigated and various regulatory and legislative requirements are complied with.
- V. Stakeholders' Interest: Guiding the University so as to ensure the fulfilment of the interests of various stakeholders besides reviewing and monitoring corporate governance and corporate social responsibility practices at the University.

Activities of the Council

It is the responsibility of the Chairman and the Chief Executive Officer to work closely in planning the annual program and agendas for meetings. The meetings are structured to allow open discussions. All substantive agenda items have comprehensive briefing documents which are circulated earlier in advance before the meetings for members to study and be acquainted with beforehand. Besides regular Council meetings, there are a number of other meetings to deal with specific matters. When Council members are unable to attend a

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meeting, they are advised on the matters to be discussed and given the opportunity to discuss their views with the Chairman.

Role of the Chief Executive Officer

The is an independent ex-officio member of the Council and is responsible for leading and managing the work of the Council and ensuring that the decisions made are sound and well informed. On the other hand, the CEO is fully responsible to the Council for the day to day running of the University. The CEO bears responsibility for all management actions and functions.

Training

The Council members are trained regularly to ensure they are abreast with contemporary management trends and also to be familiar with legal regime affecting Universities operations and changes that emerge in legislation from time to time. The trainings provided to Council members cover risk management, financial management, audit, ethics and governance. The Council members are evaluated annually by SCPC on their performance

Remuneration

The Council members are not entitled to salaries. The University covers the costs of travel and subsistence of Council members while on official duty and a sitting allowance for meetings. The Chairman is paid an honorarium per year.

Committees of the Council

The code requires that Council has an Audit Committee and a maximum of three other committees to discharge the functions of Governance, technical matters, risk, strategy, compliance, human resources and finance. The Council has the mandatory Audit Committee and two other committees to assist in the discharge of the various mandates. Each Committee is headed by a member whose orientation, training and professional skills are in the area. Each committee is serviced by the head of the functional area in the University. The Committees derive their authority from the University Acts and report to the full council. From time to time, there are special Committees established to discharge specific mandates on ad-hoc basis.

The following are the committees of JOOUST Council

- i) Audit, Risk and Governance Committee
- ii) Finance, Administration and Human Resources Committee
- iii) Technical, Academic, Research and Projects Committee

Audit, Risk and Governance Committee

The Committee has an approved Audit Charter that spells out its responsibilities. The mandate of the Audit Committee is to provide oversight on.

- i. The integrity of the financial statements and disclosures of the University
- ii. The effectiveness of the internal controls and accounting policies of the University.
- iii. The effectiveness of the Internal Audit function of the University

The Committee has delegated authority and meets on a quarterly basis. It is composed of five members one of whom is a registered and practicing accountant and a member of the Institute of Certified Public Accountants of Kenya. It has authority to authorize investigations.

The current membership of the Committee is:

Audit, Risk and Governance Committee	Dr. Jonah K. Kangogo : Chairman
	Dr. Mrs. Anne Oburu
	Amb. Steven A. Loyatum
	Mr. Micah Origa
	Mr. Richard N. Limo

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Finance, Administration and Human Resources Committee

The Finance, Administration and Human Resources Committee is responsible for providing oversight on mobilization and utilization of resources, financial reporting, staffing, salaries and terms of service. In addition, the Committee considers and makes recommendations to full Council on University Policies.

The current membership of the committee is:

Finance, Administration and Human Resources Committee	Mr. Ibrahim M. Mutembei : Chairman
	Ms. Joyce N. Karinge
	Amb. Steven A. Loyatum
	Dr. (Mrs.) Anne Oburu
	Mr. Micah Origa
	Mr. Richard N. Limo (Appointed in May 2018)

Technical, Academic, Research and Projects Committee

The Technical Committee has a delegated authority from the Council and is responsible for University's planning in the short-run, medium term and long-term. The Committee is responsible for providing oversight on infrastructure development, capital projects, major maintenance works, and development of teaching, research and outreach programmes and setting priorities for the University.

The current membership of the Committee is:

Technical, Academic, Research and Projects Committee	Ms. Joyce Karinge : Chair Person
	Mr. Ibrahim M. Mutembei
	Dr. Jonah K. Kangogo
	Mr. Micah Origa
	Mr. Richard N. Limo (Appointed, May 2018)

Meetings of Council and Committees of Council

The following is the membership and attendance of meetings of the Council and of Committees of the Council

MEMBERS	Full Council	Finance, Administration and Human Resource Committee	Technical, Academic, Research and Projects committee	Audit, Risk, Governance Committee	Ad Hoc Committee
Dr. Walter J. Ongeti	3 of 11				1 of 2
Amb. Steven A. Loyatum	11 of 11	6 of 6	N/A	4 of 4	1 of 2
Ms. Joyce N. Karinge	11 of 11	6 of 6	4 of 4	N/A	2 of 2
Mr. Ibrahim M. Mutembei	11 of 11	6 of 6	3 of 4	N/A	2 of 2
Dr. (Mrs.) Anne Oburu,	11 of 11	6 of 6	N/A	4 of 4	1 of 2
Dr. Jonah K. Kangogo	11 of 11	N/A	4 of 4	4 of 4	2 of 2
Mr. Richard Limo	6 of 11	5 of 6	3 of 4	4 of 4	1 of 2
Mr. Micah Origa:	6 of 11	4 of 6	2 of 4	4 of 4	1 of 2

N.B Dr. Walter Ongeti served as Chairman of Council upto 31st October 2018

Amb. Steven Loyatum was elected Ag. Chairman of Council wef 1st November 2018

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VII. MANAGEMENT DISCUSSIONS AND ANALYSIS

a) Financial Performance

The University 2018/2019 Financial Year Budget was revised from Kshs. 2,245,512,674 to Kshs. 2,085,965,974. The revision of the budget was necessitated by the decrease in revenue due to decrease in student numbers. The University received 1,200 new students against a projected number of 3,000 necessitating a cut in projected expenditures. During the year under review, the University revenue totaled Ksh1, 643,570,697 and had a total expenditure of Kshs.1, 740,359,424.

The University continued to fund its capital projects. The main projects under this include the ultra-modern University Library, a tuition block in Achiego, the Research Centre and the administration block. These projects are funded by the Government of Kenya. In addition, the University continued to fund to practical completion, repairs of student hostels, equipping the University Research Laboratory, expansion of the University Health Building and the new library among other operations.

Key projects

The University has sustained works on key projects during the year and carried out refurbishment of existing facilities. The University commenced the construction of the Research Centre, Tuition Block and Administration block. The University committed to continue construction of the Modern library and that of the 1000 Capacity students' hostel. In addition, the University Health Services Block was completed and equipping of the research Laboratory commenced.

b) Operational performance

University Teaching and Training

The 2018/2019 academic year commenced in September 2018. The University received first year Students in September, joining several of its programmes. The numbers joining the University as new students declined to 1,201 compared to 3,000 the previous year. During the year, the total student enrollment stood at 10,531. The University implemented 64 programs, at both undergraduate and postgraduate levels in the ten Schools.

Graduation

The University held the 6th graduation ceremony. During the ceremony, held on 14th December 2018, presided over by the Chancellor, Dr. Vimal Shah and graced by His Excellency the President of the Republic of Kenya, Hon. Uhuru Kenyatta, **CGH** and attended by Cabinet Secretaries and other distinguished citizens of the Country. A total of 1,986 candidates graduated. During the Ceremony, the University conferred Honorary Degree (*Honoris Causa*) of Doctor of Sciences upon His Excellency the President and the Rt. Hon. Raila Amolo Odinga, **EGH**.



Chancellor Vimal Shah presents Honorary Degree Certificate to The Rt. Hon. Raila Odinga. Looking on is H.E. President Uhuru Muigai Kenyatta, Education C.S. Ambassador Amina Mohamed, VC. Prof. Stephen Agong and Ag. DVC (AA) Prof. Benson Estambale

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Student Activities

The University facilitated students to participate in various national and regional activities including sports, martial arts, drama competition and the 17th Enactus Kenya National Exposition. Student elections and the elected students were sworn into office on 27th February 2019..



Photo: United States ambassador to Kenya Kyle MacCarter at the 17th Enactus Kenya National Exposition

Other activities

- During the year the University revised its 2016/2019 to 2020/2021 Strategic plan. The revised Plan provides a reviewed roadmap and was necessitated by a number of factors including change in government policies such as introduction of the “Big Four Agenda”, the need to align the University strategies to new national and regional policies as well international best practices were considered.
- Members of staff attended training to enhance their skills. There were several in-house training sessions to build capacity among staff on current information technology and customer handling. Facilitators were sourced internally and externally from professional organizations.



Photo: The University top management and departmental heads being sensitized on effective Public Complaints Management and Access to Information Act 2016.

- The University Management and Staff Unions, University Academic Staff Union (UASU) and Kenya Universities Staff Union (KUSU) and KUDHEIHA had internal Collective Bargaining Agreement (CBA) negotiations which were signed and in the process of being implemented
- **International and Regional Partnerships and Collaborations.** JOOUST has engaged in strategic partnership in its niche research undertaken to achieve its core mandate. During the period under review, the University had a follow up on the partnership engagements with Chalmers University of Technology in Sweden, Central and East University in the U.S, University of Sheffield and University of

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Cape Town, Northwest Agriculture and Forest University (NWAUFU), China, to build staff capacity and benefit from technology and skills transfers.



Vice Chancellor Prof. Stephen G. Agong' signs a Memorandum of Understanding with the Northwest A&F University, China on the construction of a Confucius Institute.

E-Learning. The University launched E-learning laboratories on 3rd September 2018. This will enhance training and further help the University meet its mission on integrating technology in teaching and learning. During the year the University through the Centre for E-learning in collaboration with The Commonwealth of Learning (COL), successfully conducted the second phase workshop on developing Blended Learning Courses.



Photo: E-Learning in collaboration with the Commonwealth of Learning (COL)

2nd International Scientific Conference

The University hosted the 2nd JOOUST International Scientific Conference at the Grand Royal Swiss Hotel in Kisumu City from the 26th to 29th February 2019. The 4-day event whose theme was **“Promoting Creativity Innovation and Productivity for Sustainable Development”**, attracted participants from Government, academia and industry in both local and international institutions. The Conference which aimed at providing an opportunity for participants to discuss the state of knowledge and practice in key priority areas for development as set out by the Government, attracted over 200 participants including renowned authors from East Africa, China, Italy and Scandinavia. Participants identified trends and needs in training research and policy development for the academia, private sector, government and other stakeholders.

University Challenges and Opportunities

The University faced a number of challenges that hindered full implementation of its programmes and realization of set targets. The most prominent of these challenges were:-

- Inadequate funding;
- Inadequate facilities;
- Frequent changes in the regulatory environment;
- Challenges related to attracting and retaining quality staff.

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To mitigate these challenges, the University has engaged with development partners, both local and international for purposes of mobilizing resources and creating opportunities for capacity development among staff. The engagement with the community to enhance the University being a centre of excellence in food security has also been successful.

Emerging Issues:

Emerging issues in the operational environment which the University needs to respond to going forward include: sustainable funding for higher education in the face of reduced funding from the government; quality, access and relevance of its programmes; automation of processes, enhancement of strong linkages with industry and restructuring of human resource. The University has developed strategies on restructuring of its operations.

Section B: Compliance with Statutory Requirements

In the year under review, JOOUST complied with all statutory obligations. JOOUST has no court case that may jeopardize its ongoing concern or expose the entity to potential contingent liability.

University strives to comply with the laid down policies and procedures, regulatory and statutory framework governing its existence and operations.

Section C: Key Projects and Investment Decisions the University is planning to implement

Research Innovation and Incubation Complex: JOOUST envisages setting up a research, innovation and Incubation Complex as part of the expansion initiatives. In Research activities, the facility will support state of the art research and teaching.

PI Institute: The University is considering setting up a water institute along the shores of Lake Victoria. The institute will create conservancy of water as a natural resource. This will be done in collaboration with development partners.

Confucius Institute: This is to be set up through the collaboration with Northwest Agriculture and Forest University, China, hosted at JOOUST and jointly managed by the two parties.

Section D: Material arrears in statutory/financial obligations

The University has no pending bills or statutory obligations as of 30th June 2019.

Section E: The University's financial probity and serious governance issues

The University did not have any major financial probity as of 30th June 2019 reported by the Internal Audit/external Audit. Risk and compliance committee of Council did not give any major probity too.

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VIII. CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Agricultural Society of Kenya Show

The University participated in the annual Kisumu ASK Show, where it showcased a number of innovations and won prizes and recognition from the organizers. This year's edition of the Show and Exhibitions was held from Tuesday 24th to 28th July, 2018. The University distinguished itself as a Centre of Excellence and a global leader in University education for sustainable development.

1st Siaya County Health Conference

The County Government of Siaya held the first ever Health Conference which was attended by distinguished national, regional and international scientists, scholars and health practitioners. The University was honored to host this historic event between Tuesday 18th September 2018 and Thursday 21st September 2018 at the main campus. The conference was officiated by the Governor of Isiolo County who was also the Chair of Health Committee in the Council of Governors, H.E. Hon Mohamed Kuti.

Got Ramogi Symposium and Cultural Festival

The University collaborated with the County Government of Siaya and other stakeholders to host the second edition of Got Ramogi Annual Festival at the famous Ramogi Hill at Yimbo-Usenge in Siaya County. The festival with a theme stating *'Duog Uru Dala Nyikwa Ramogi Ajwang'* translated as ...*'come back home Grandchildren of Ramogi Ajwang'* featured a Symposium at the University focusing on Cultural Heritage for Socio-Economic Transformation, display of artefacts, traditional cuisine and boat race at Siungu beach. The essence was to appreciate cultural diversities of the Kenyan people and emphasize culture as a uniting factor that brings people together for a purpose. The event was graced by the presence of High Commission of the United Republic of Tanzania Dr. Pindi Chana.

Forest Day

JOOUST participated in the International Day of Forests held at Bondo Teachers Training College on the 21st March 2019 whose theme was, *"Forests and Education, learn to Love Forests"*. The event focused on the need for forest education and the broader role of forests in sustainable development using the communication platform provided by this International Day. The celebrations were organized by the Kenya Forest Service Ecosystem Conservatory and were intended to prepare participants for environment conservation.

Open Day 2019

The University conducted the Open Day in four campuses within the region. The activity was conducted in February simultaneously for Main, Kisii and Nambale campuses and in June for Kisumu Campus. The events

enabled the University showcase its academic programmes and projects to members of the public and interested parties. Through the event, the University was able to market its programmes and offer useful information to the public on the programmes available and application procedures.

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Training in Healthcare

The University through its outreach program trained selected healthcare workers in Homabay, Kisii, Kisumu, Siaya, Kakamega, Bungoma, Vihiga and Busia Counties on health communication in the last five years. During the period under review, the University trained Healthcare workers in Kakamega and Bungoma Counties on 1st and 2nd April, 2019 and 4th and 5th April 2019 respectively.



Photo: Motivational talk on use of Artificial intelligence

Disability Mainstreaming

The 2019 edition of Disability Day whose theme was **“My Disability, My Ability”**. The yearly event was the 5th of its kind since it was launched. The successful event attracted a huge participation from regular schools, schools for learners with special needs and community members. The day was commemorated and presided over by national leaders including ten members of the National Assembly Committee on Labour and Social Welfare led by the Chairman Hon. Ali Wario. Among the activities which took place during the one-day event were screening services provided by various partners who included Sabatia Eye Clinic, JOOUST PAPPS Project, Sagam Community Hospital and The National Council for Persons with Disabilities.

JOOUST and five Collaborating Partners with support from the National Research Fund are implementing a project dubbed **Promoting Awareness and Participation of Persons with Disabilities (PWDs) in Education and Other Community Based Programmes in Siaya County, Kenya**. The Project focuses on PWDs and their exclusion from education and socio-economic activities. It seeks ways of creating awareness and of improving participation of PWDs in education and other services available to them for economic empowerment. The team is concentrating, but not necessarily limiting the research in Siaya County, having been informed by the available statistical information on disability prevalence in the country.



Members of National Assembly Committee on Labour and Social Welfare, the Vice Chancellor and a section of the project implementation team during a consultative meeting in Kisumu on establishment of Habilitation and Rehabilitation Centre for PWDs

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IX. REPORT OF THE COUNCIL

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

Principal activities

The principal activities of the University are to offer high quality university training, carry out innovative research and community outreach for sustainable socio-economic development.

Results

The results of the entity for the year ended June 30, 2019 are set out on page 2 to 21

Council

The Council members who served during the year are shown on page V of this report. During the year, the Chairman of the Council Dr. Walter J. Ongeti resigned after appointment by the Public Service Commission to serve at the Ministry of Education headquarters. Consequently, Amb. Stephen Loyatam was elected to serve as Chairman in an acting capacity with effect from 1st November 2018.


Dividends/Surplus remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The entity did not make any surplus during the year (FY 2018 /2019 - Nil) and hence no remittance to the Consolidated Fund.

Auditors

The Auditor General is responsible for the statutory audit of the University in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the University for the year/period ended June 30, 2019.

By Order of the Council

Sign:.....

Prof. Stephen G. Agong', PhD, FAAS

Vice Chancellor/Chief Executive Officer

Date.....*27th Sep 2019*

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X. STATEMENT OF COUNCIL RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 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 entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the University; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

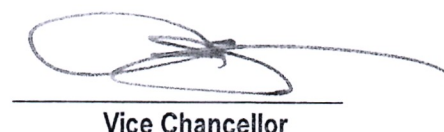
The Council accepts responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Council is of the opinion that the University's financial statements give a true and fair view of the state of the 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 confirm the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the 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

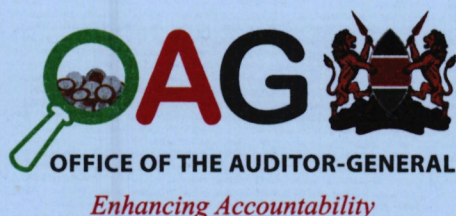
The University's financial statements were approved by the Council on 27th Sep 2019 and signed on its behalf by:


Ag. Chairman


Vice Chancellor

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Jaramogi Oginga Odinga University of Science and Technology set out on pages 1 to 26, which comprise the statement of financial position as at 30 June, 2019, the statement of financial performance, statement of changes in equity, 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 Jaramogi Oginga Odinga University of Science and Technology 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

Over-Payment of Professional and Legal Services

The statement of financial performance reflects an expenditure of Kshs.384,639,687 under general expenses which, as disclosed in Note 9 of financial statements, includes an amount of Kshs.13,939,151 relating to professional and legal services. The latter balance includes an amount of Kshs.4,640,000 paid to a law firm. Available information indicates that the University entered into a contract with the law firm in 2015. The law firm was to represent the University in Civil Case No. 271 at Kisumu High Court and arbitration proceedings between the University and a contractor at a cost of Kshs.6,814,515 and Kshs.10,000,000, respectively totaling to Kshs.16,280,000. A review of the financial records submitted for audit indicated that the University made two different payments of Kshs.2,320,000 each vide Cheques No.21442 and No. 21566 dated 19 March, 2019 and

29 March, 2019, respectively all which were in respect to the same final fee note of Kshs.2,320,000 dated 19 October, 2018 resulting to duplication of payments. Although the University sought refund of the overpaid amount from the law firm on 27 August, 2019, the law firm had not refunded the amount as at 26 October, 2020. Additionally, the overpayment has been treated as expenditure instead of being distinctly reported in the financial statement as other debtor.

Consequently, the accuracy and propriety of professional and legal services expenditure of Kshs.13,939,151 for the year ended 30 June, 2019 could not be ascertained.

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 matters 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 been applied lawfully and in an effective way.

Basis for Conclusion

Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions of Kshs.141,893,209 which, as disclosed in Note 18 of financial statements, includes imprest amounting Kshs.5,591,015 outstanding as at 30 June, 2019 which was not supported by any duly executed imprest warrants. This imprest balance includes long outstanding staff imprest of Kshs.2,775,046 going as far back as 2015 contrary to Section 93(6) of the Public Finance Management (National Government) Regulations, 2015 which states that in the event the imprest holder fails to account for the imprest on the due dates, the Accounting Officer shall take action to recover the amount fully from the salary of the defaulting officer with an interest at the prevailing Central Bank of Kenya rates. Further, some officers were issued with more than one imprest, contrary to Section 94(c) of the Public Finance Management (National Government) Regulations, 2015. No explanations were provided for these anomalies.

The Management was in breach of the Regulations.

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 else 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 overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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.

In preparing the financial statements, Management is responsible for assessing the University's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the University 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 University's 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 entity 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review 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 non-compliance. 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 Moi university's 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 Management's use of the going concern 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 as a going concern or 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 as a going concern or 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

09 August, 2021

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XI. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 Kshs.	2018 Kshs.
Revenue from non- Exchange Transaction			
Recurrent Grants	2	991,599,673	1,029,546,951
Research Grants	3	111,567,508	63,720,117
		1,103,167,181	1,093,267,068
Revenue from Exchange Transaction			
Tuition and Other Related Fees	4	493,272,107	471,593,290
Rental Revenue from Facilities and equipment	5	14,379,296	17,225,948
Financial Income - External Investments	6	59,500	4,610,747
Other Income	7	32,692,613	23,216,968
		540,403,516	516,646,953
Total Revenue		1,643,570,697	1,609,914,021
Expenditure			
Staff Costs	8	1,101,430,667	1,156,765,111
General Expenses	9	384,639,687	261,887,577
Finance Costs	10	21,331,760	23,845,493
Repairs and Maintenance	11	29,368,389	11,575,028
Amortization and Depreciation	12	64,117,897	50,618,227
Research Expenses	13	123,963,201	67,539,671
Council Expenses	14	15,507,823	17,457,150
Total Expenditure		1,740,359,424	1,589,688,257
Gains on Foreign Exchange Transactions	15	104,672	233,145
Gain on Revaluation of Biological Assets	16	150,000	(355,000)
Operating Surplus		(96,534,055)	20,103,909

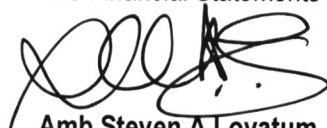
The notes set out on pages 6 to 23 form an integral part of these Financial Statements

JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
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XII. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Notes	2019 Kshs.	2018 Kshs.
ASSETS			
Current assets			
Cash and cash equivalents	17	159,309,086	348,313,934
Receivables from exchange transactions	18	141,893,209	255,795,239
Receivables from non-exchange transactions	19	140,235,673	31,452,787
Inventories	20	20,408,121	18,578,134
		461,846,089	654,140,094
Non-current assets			
Biological Assets	21	775,000	625,000
Intangible assets	22	2,210,037	4,408,098
Property, plant and equipment	23	2,593,091,368	2,350,621,977
Total Non-Current Assets		2,596,076,406	2,355,655,075
TOTAL ASSETS		3,057,922,495	3,009,795,170
EQUITY AND LIABILITIES			
Current Liabilities			
Trade and Other Payables	24	9,855,456	41,731,803
Employee benefit obligation	25	53,801,306	58,055,722
Refundable deposits from customers	26	31,792,434	21,516,249
Deferred income	27	89,540,045	118,650,761
Prepayments and Deposits	28	78,543,070	59,812,306
Bank Loan	29	11,778,413	9,526,456
Total Current Liabilities		275,310,724	309,293,297
Non-Current Liabilities			
Bank Loan	29	143,392,398	155,838,916
Total Non-Current Liabilities		143,392,398	155,838,916
Total Liabilities		418,703,123	465,132,213
Net Assets		2,639,219,372	2,544,662,957
Capital Grants Reserves	30	2,722,290,972	2,481,200,503
Revenue Reserve	31	(83,071,600)	63,462,454
Total Equity		2,639,219,372	2,544,662,957
Total net assets and liabilities		2,639,219,372	2,544,662,957

The Financial Statements set out on pages 1 to 23 were signed on behalf of the Council by:


Amb. Steven A. Loyatum
 Ag. Chairman
 Date: 27th Sep 2019


Prof. Stephen G. Agong'
 Vice Chancellor
 Date: 27th Sep 2019


CPA Nancy Muchai 7974
 Ag. Chief Finance Officer
 Date: 27-09-2019

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

	Capital Reserves	Revenue Reserve	Total Equity
	Kshs.	Kshs.	Kshs.
Balance as at 1 July 2017	2,227,400,738	246,283,311	2,473,684,049
Surplus for the year		20,103,909	20,103,909
Capital Development Grants	50,875,000		50,875,000
Movement During the year	202,924,765	(202,924,765)	-
Balance as at 30 June 2018	2,481,200,503	63,462,455	2,544,662,958
Balance as at 1 July 2018	2,481,200,503	63,462,455	2,544,662,958
Surplus for the year		(96,534,055)	(96,534,055)
Capital Development Grants	191,090,469		191,090,469
Movement During the year	50,000,000	(50,000,000)	-
Balance as at 30 June 2019	2,722,290,972	(83,071,600)	2,639,219,372

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XIV. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 Kshs.	2018 Kshs.
Cash flows from operating activities			
Surplus/(deficit) for the year		(96,534,055)	20,103,909
Add back : Depreciation and Amortization	12	64,117,897	50,618,227
Less Gain on Revaluation	16	(150,000)	355,000
Operating cash before working capital changes		(32,566,158)	71,077,136
Increase/(Decrease) in Inventory	20	(1,829,986)	(7,104,621)
Increase/(Decrease) in Receivables	18&19	5,119,144	37,901,348
Increase /(Decrease) in Payables	24-28	(36,234,530)	21,331,489
Net Cash flow from operating activities		(65,511,531)	123,205,351
Cash Flows from Investing Activities			
Purchase of Plant Property & Equipment	23	(304,389,220)	(313,370,089)
Disposal of Assets		-	-
Purchase of Intangible Assets	22	-	(1,197,580)
Purchase of Investments		-	-
Net Cash Flow From investing activities		(304,389,220)	(314,567,669)
Cash flows from Financing activities			
Receipt of Capital Grants	30	191,090,469	50,875,000
Bank Loan	29	-	-
Loan Repayment	29	(10,194,565)	(8,634,628)
Net Cash flow from Financing Activities		180,895,904	42,240,372
Net Increase in cash and cash equivalents		(189,004,848)	(149,121,946)
Cash and cash Equivalents at the beginning		348,313,934	497,435,880
Cash and cash Equivalents at the end		159,309,086	348,313,934

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XV. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

	Original budget	Adjustments	Final budget	Actual Outcome	Performance difference	Performance %	Remarks
	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	%	
	Kshs	Kshs	Kshs	Kshs	Kshs		
Revenue							
1 Recurrent Grants	912,980,028	113,740,399	1,026,720,427	991,599,673	35,120,754	97%	Favorable
2 Development Grants & Loans	306,750,000	-	306,750,000	191,090,469	115,659,531	62%	Unfavorable
3 Research Grants	179,903,300	(70,000,000)	109,903,300	111,567,508	(1,664,208)	102%	Unfavorable
4 Tuition and Other Related Fees	659,374,990	(111,863,261)	547,511,729	493,272,107	54,239,622	90%	Unfavorable
5 Rental Revenue	16,798,748	(2,125,787)	14,672,961	14,379,296	293,665	98%	Favorable
6 Finance Income	3,500,000	(3,395,000)	105,000	59,500	45,500	57%	Unfavorable
7 Other Income	29,046,500	1,256,058	30,302,558	32,692,613	(2,390,055)	108%	Favorable
8 Retained Earning	136,959,108	(86,959,108)	50,000,000	50,000,000	-	100%	Unfavorable
Total Income	2,245,312,674	(159,346,700)	2,085,965,974	1,884,661,166	201,304,808	90%	Unfavorable
Expenses							
9 Employee Costs	1,212,826,000	(97,010,089)	1,115,815,911	1,101,430,667	14,385,244	99%	Favorable
10 Finance cost	35,000,000	(2,322,389)	32,677,611	32,025,826	651,785	98%	Favorable
11 General Expenses	373,877,566	(16,517,522)	357,360,044	384,639,687	(27,279,643)	108%	Favorable
12 Repairs and Maintenance	10,500,000	9,000,000	19,500,000	29,368,389	(9,868,389)	151%	Unfavorable
13 Depreciation and Amortization	1,000,000	49,000,000	50,000,000	64,117,897	(14,117,897)	128%	Unfavorable
14 Research Expenses	150,400,000	(35,496,700)	114,903,300	123,963,201	(9,059,901)	108%	Favorable
15 Council Expenses	18,000,000	(3,000,000)	15,000,000	15,507,823	(507,823)	103%	Favorable
16 Capital Expenses	443,709,108	(63,000,000)	380,709,108	304,389,227	76,319,881	80%	Unfavorable
Total Expenditure	2,245,312,674	(159,346,700)	2,085,965,974	2,055,442,717	30,523,257	99%	Unfavorable

Explanatory notes to the Variance on Budget Vs Actual Comparison

- Government recurrent grants were received fully in the year apart from Kshs. 96,879,246 that was received in July 2019. The variance relates to difference between requested amount in revised budget of Kshs 132,000,000 and the approved amount of Kshs 96,879,246
- Increase in depreciation is due to the capitalization of Science Laboratory, which was complete and qualified for depreciation in the year.
- There was increase in repairs and maintenance due to urgent need to address issues in women hostel and other key areas.
- Over expenditure in general expenses is due to the provision of doubtful debt done in the year.

XVI. NOTES TO THE FINANCIAL STATEMENTS

1. Statement of compliance and basis of preparation

Jaramogi Oginga Odinga University of Science and Technology financial statements have been prepared in accordance with and comply with the PFM Act, State corporations Act and International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the University. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis. The Statement of Comparison of Budget and Actual Amounts have been prepared on accrual basis taking into account all necessary provisions like depreciation and amortisation. This statement is prepared under economic classification as per National Treasury Practice.

Adoption of new and revised standards.

A new standard IPSAS 41: Financial Instruments was issued in August 2018. This standard is meant to replace IPSAS 29: Financial instruments: Recognition and measurement. The applicable effective date is 1st January 2022.

Early adoption of standards

The University did not early – adopt the new standards in year 2019.

2. Summary of significant accounting policies

1. Revenue recognition

1. Revenue from non-exchange transactions

Government Grants and other Donors Research Grants

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

2. Revenue from exchange transactions

Student's fees

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from 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 entity.

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Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applied yields to the principal outstanding in determining the interest income each period.

Rental income

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

b) Budget information

The annual budget is prepared on accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there is no basis, 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. The original budget for FY 2018-2019 was approved by the National Assembly on 14th June 2018. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities.

c) Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity 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. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is calculated on the straight-line basis to write down the cost of each asset, or the re-valued amount, to its residual value over its estimated useful life using the following annual rates:

Description	Annual Rate
Buildings	2.5%
Plant, machinery and equipment	20%
Office equipment	20%
Computer equipment	33.3%
Motor vehicles	25%
Furniture and fittings	12.5%
Crockery & Utensils	33.5%
Library Books	20%

d) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

Intangible assets shall be amortised over their useful life on a straight line basis. Subsequent expenditures on intangible assets shall be recognized as an expense for the period that it is incurred.

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Amortisation is at the rate of 20%.

1. Research and development costs

All research costs are expensed as incurred. Development costs are capitalised only after technical and commercial feasibility of the resulting product or service have been established. All other treatments relating to research and development shall be as permitted by the standards.

f) Financial instruments

i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The University determines the classification of its financial assets at initial recognition.

Impairment of financial assets.

The University assesses at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is deemed impaired if there is objective evidence of impairment after the initial recognition and has an impact on the estimated future cash flows of the financial asset.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The University determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process as permitted by the standards.

g) Inventories

Inventories are stated at the lower of cost and current replacement cost. Cost is determined by the first-in, first-out (FIFO) method. Current replacement cost represents the cost the entity would incur to acquire the asset on the reporting date.

h) Provisions

Provisions are recognized when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the University expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The University recognizes contingent liability based on the previous years' experience on the dispute with the contractor, which was referred to arbitration. Currently the university is carrying out various projects with various contractors hence the need for the provision.

Contingent assets

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

i) Nature and purpose of reserves

The University creates and maintains reserves in terms of specific requirements. The capital reserve relates to items of property, plant and equipment developed from capital grants from the National Government, inherited from the former Bondo teachers Training College. Revenue reserves relates to transfers on purchase of additional assets.

j) Changes in accounting policies, estimates and Errors

The University recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical. Changes in estimates are accounted for in the current and future periods. Prior period errors shall be corrected retrospectively after their discovery by restating comparative prior period amounts

k) Employee benefits

The University provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which the University pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. The University also contributes to National Social Security Fund (NSSF) a statutory defined contribution scheme registered under the NSSF Act, 2013.

l) Foreign currency transactions

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

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and cash at bank net of bank overdrafts.

n) Comparative figures

The comparative prior year figures are shown against every item in the financial statements. Consistent accounting methods have been applied and changes made will be reported and the effect on reported results disclosed.

o) 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. Management shall ensure compliance with the Standards where such events become manifest.

p) 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 30 June 2018.

q) Borrowing costs

Borrowing costs include interest, amortisation of discounts or premiums on borrowings, and amortisation of ancillary costs incurred in the arrangement of borrowings. Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Any further borrowing costs are charged to the statement of financial performance as appropriate.

r) Leases

A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an asset are passed to the lessee. All other leases are classified as operating leases. The University shall charge all the payments on operating leases to the surplus or deficit on a straight line basis over the period of the lease.

s) Investment Property

Investment property is land or buildings held (whether by the University or under a finance lease) to earn rentals or for capital appreciation or both, rather than production or sale in the ordinary course of operations. The University shall recognize investment property as an asset if it is likely that future economic benefits or service potential will flow to the University and the cost or fair value can be measured reliably.

The University shall measure investment property initially at cost and continually use the cost model. However, fair value shall be disclosed at each reporting period. Where the investment property is acquired through a non-exchange transaction at no cost or for a nominal charge, the University recognize it at fair value at the date of acquisition

t) Segment Reporting

The University will look at its organisational structure and internal reporting system for the purpose of identifying its service segments and geographical segments with a view to issue segment reports as permitted by the IPSAS

u) Impairment of cash generating assets

An impairment loss of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount. An impairment loss shall be recognized immediately in surplus or deficit for the year.

v) Impairment of Non-cash generating assets

An impairment loss of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount. An impairment loss shall be recognized immediately in surplus or deficit for the year.

w) Biological Assets

All biological assets (including those acquired biological assets through non exchange transaction) are measured at fair value less costs to sell, unless fair value cannot be measured reliably. Any change in the fair value of biological assets during a period is reported in surplus or deficit.

x) Provision for Bad and Doubtful Debt

A bad debt arises when there is 'no hope' of receiving payment from the customer. The amount is written out of the debtor's account and written off as a charge against profits. Whereas a provision for doubtful debts, also complying with the principles of FRS 18, recognises the extent of the risk being taken by debtor's account and written off as a charge against profits. The provision is an estimate of the possible liability that may arise rather than that of a certain nature.

xi) Part-time Expenses Recognition

All part time expenses will be accrued in the year they were incurred. Part-time expenses spanning into two or more financial years will be recognised in the year the contract ends. All part-time claims that were omitted in the previous years will be recognised in the year the claims are submitted.

Xii) Related Parties

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

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Notes (Continued)

2 Government grant	2019 Kshs.	2018 Kshs.
Quarter ending 30 Sept	228,245,007	305,013,560
Quarter ending 31st Dec	219,115,206	257,931,475
Quarter ending 31st March	219,115,207	233,300,958
Quarter ending 30 June	325,124,253	233,300,958
Total	991,599,673	1,029,546,951
Government recurrent grants were received fully in the year apart from Kshs. 96,879,246 that was received in July 2019.		
3 Research Grants Income		
ICDL project	1,342,676	1,363,646
DKK kobenhavens	-	2,312,742
Water Quality challenge	28,471	-
KLIP project	3,188,610	3,325,820
IPAS project	-	750,000
NASCOSTI	1,278,065	1,278,065
UHIV project	2,720,291	2,039,941
TNO FF Project	-	430,000
ACE 11 -World Bank	66,148,902	33,056,240
National Research Fund	5,500,365	2,489,875
GIZ Project	-	140,518
Water Hyacinth	-	58,708
Recycling Network Project	1,650,061	3,429,144
Conflict Violence and Environmental change Project	737,495	517,800
Scholarship Fund	-	168,820
Compact Cities and Informal Settlements	1,014,412	166,532
Preterm Birth	1,052,939	2,583,895
Waste Governance	886,792	486,740
Kaya Learning	-	300,000
Solar Milk Cooling System	113,427	407,988
Sempre Award	79,882	64,406
Neonatal Sepsis Study	5,734,638	2,490,242
Clean cooling solutions (NRF)	2,188,880	1,690,960
Clean cooling solutions (ADB)	4,484,323	4,168,036
Promotion & Participation of Persons with Disability	9,286,323	-
Pamoja Project	679,179	-
Whose Heritage Matters	1,624,403	-
Common wealth-TEL /Delta Project	985,664	-
Grassroot Financial Innovation	841,710	-
	111,567,508	63,720,117

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Research grants movement schedule is as shown in Appendix 1.

Notes (Continued)

	2019	2018
	Kshs.	Kshs.
4 Tuition and Other Related Charges		
Activity Fee	8,674,000	8,932,800
Computer time income	36,073,250	37,270,750
Examination Fee	21,354,525	21,746,500
Field Practical work	22,861,500	16,315,732
Library Fee	7,259,490	7,437,000
Maintenance Fee	7,119,375	7,316,000
Registration fee	3,632,000	3,661,000
Students ID	465,900	661,200
Students Medical fee	18,001,500	18,596,250
Tuition Fees	367,830,567	349,656,058
Total	493,272,107	471,593,290
5 Rent Revenue		
Students Accommodation Fees	9,634,216	12,118,528
Hall Hire	92,000	70,945
Hire of Transport and Equipment	317,200	362,200
Staff Rent Income	4,168,133	4,036,000
Hire of Gown and Lease of Land	167,747	638,275
Total	14,379,296	17,225,948
6 Finance Income- External Investments		
Commissioned	59,500	4,610,747
7 Other Incomes		
Application Fees	2,285,362	2,022,400
Catering Income	13,820,278	9,860,833
Graduation fees	8,212,350	6,370,650
Library fines and photocopy	606,418	82,009
Sale of water	175,530	419,468
Examination Resit charges	377,300	414,500
Nursery Income	256,655	514,405
Canteen sales	639,595	755,655
Farm income	255,700	254,870
Workshop and seminars	-	8,980
Sale of Bottled Water	365,220	131,778
Medical Claims	-	2,227,240
Consultancy fees	3,963,749	-
Other incomes	1,734,456	154,180
Total	32,692,613	23,216,968

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Notes (continued)	2019	2018
8	Kshs.	Kshs.
Employee Costs		
Payroll Expenses	947,360,690	1,048,755,850
Medical Insurance Expenses	59,184,547	42,567,458
Staff Development	5,231,794	7,403,754
Office Entertainment	2,531,025	3,019,864
Part Time Lecturers	87,122,611	43,784,582
Provision for Leave days	-	11,233,603
Total	1,101,430,667	1,156,765,111
9 General Expenses		
Admission Related expenses	924,683	706,101
Accreditation Expenses	231,730	1,555,859
Advertising & Publicity	10,958,044	10,306,461
Bill boards and rates	630,968	533,790
Anti- corruption expenses	468,853	212,300
Auditing Services	580,000	607,650
Baseline Surveys	-	550,000
Bank charges & commissions	1,883,630	612,933
Canteen expenses	307,954	852,201
Cleaning materials	2,040,753	1,216,148
Committee expenses	5,539,603	2,085,987
Computer Operating Expenses	1,767,754	1,284,241
Conference & seminars	4,164,726	2,482,482
Cooking Fuel & Gas	1,372,600	1,680,852
Professional and legal services	13,939,151	7,232,472
Dairy expenses	467,144	109,931
Disability mainstreaming	256,250	267,000
Chancellors expenses	86,764	113,785
Electricity expenses	8,942,843	9,722,910
Examination Materials	6,137,004	4,548,639
Supervision of thesis	9,772,552	10,919,866
Graduation Expenses	11,467,799	14,463,973
Gender mainstreaming	239,900	130,900
ICT expenses	920,080	1,398,360
Insurance Expenses(Property)	5,770,810	5,259,631
Internet Expenses	11,041,832	11,783,582
ISO Certification expenses	2,157,963	3,069,345
Lease and rental	15,561,047	19,430,143
Library expenses	805,096	71,150
Medical Expenses	7,741,033	7,310,401
Outreach Programmes	2,909,454	2,537,197
Performance Contract expenses	700,044	600,612
Postal & Courier expenses	331,373	525,198
Purchase of foodstuff	18,074,216	14,803,581
Sanitary Expenses	809,766	1,571,558

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Notes (continued)

	2019	2018
	Kshs.	Kshs.
General Expenses continues..		
Security expenses	17,233,773	16,979,600
Senate expenses	1,987,965	332,695
Shows & Exhibitions	2,951,218	2,829,768
License and Subscriptions	3,813,674	3,003,456
Sports & Games	5,460,957	4,438,144
Stationery Expenses	8,803,247	6,396,762
Student welfare expenses	5,543,187	6,756,387
Teaching materials	3,898,772	1,416,147
Teaching Practice & Field Attachment	14,708,085	11,612,576
Telephone expenses	1,267,683	2,283,140
Transport operating expenses	12,434,517	11,014,069
Travelling & Accommodation	23,629,549	17,999,115
Uniforms & Clothing	615,726	375,100
Water & Sewerage expenses	836,726	522,016
Collective Bargain Agreement	874,522	925,413
KUCCPS	-	4,398,497
Provision for Bad and Doubtful Debt	131,576,668	30,047,453
Total	384,639,687	261,887,577
10 Finance Cost	21,331,760	23,845,493
11 Repairs and Maintenance		
Building repairs and Refurbishments	24,981,019	8,635,766
Maintenance of Plant and Equipment	4,387,370	2,939,262
	29,368,389	11,575,028
12 Amortization and Depreciation		
Depreciation expenses	61,919,836	48,420,166
Amortization	2,198,061	2,198,061
	64,117,897	50,618,227

There was increase in depreciation due to capitalizing of the Science Laboratory project, which was also depreciated during the year.

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Notes (Continued)

	2019	2018
	Kshs.	Kshs.
13 Research Expenses		
ICDL project	1,342,676	1,363,646
DKK kobenhavens	-	2,312,742
Water Quality challenge	28,471	-
Klip project	3,188,610	3,325,820
IPAS project	-	750,000
NASCOSTI	1,278,065	1,278,065
UHIV project	2,720,291	2,039,941
TNO FF Project	-	430,000
ACE 11 -World Bank	66,148,902	33,056,240
National Research Fund	5,500,365	2,489,875
GIZ Project	-	140,518
Water Hyacinth	-	58,708
Recycling Network Project	1,650,061	3,429,144
Conflict Violence and Environmental change Project	737,495	517,800
Scholarship Fund	-	168,820
Compact Cities and Informal Settlements	1,014,412	166,532
Preterm Birth	1,052,939	2,583,895
Waste Governance	886,792	486,740
Kaya Learning	-	300,000
Solar Milk Cooling System	113,427	407,988
Sempre Award	79,882	64,406
Neonatal Sepsis Study	5,734,638	2,490,242
Clean cooling solutions (NRF)	2,188,880	1,690,960
Clean cooling solutions (ADB)	4,484,323	4,168,036
Promotion Awareness & Participation of Persons with Disability(NRF)	9,286,323	-
Pamoja Project	679,179	-
Whose Heritage Matters	1,624,403	-
Common wealth-TEL /Delta Project	985,664	-
Grassroot Financial Innovation	841,710	-
University Research	12,395,693	3,819,554
	123,963,201	67,539,671
14 Council Expenses		
Honorarium	435,000	1,044,000
Sitting allowances	5,320,000	6,700,000
Travel and Subsistence	8,086,276	8,460,350
Capacity Building and Training	1,666,547	1,252,800
Total	15,507,823	17,457,150
15 Gains on Exchange Transactions		
Gain/Loss on exchange transaction	104,672	233,145
16 Gains on revaluations		
Gains on revaluation	150,000	(355,000)

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Notes (Continued)

	2019	2018
	Kshs.	Kshs.
17 Cash and Cash Equivalents		
Equity Bondo Project Ac 0750 261 507 711	664,620	20,732,219
KCB Bondo Project Ac 1171196679	28,309,744	21,425,406
Barclays Dollar Account 2024 513 516	2,235,152	2,080,374
Co- Operative Bank Siaya 112 92557 09500	15,933,365	164,116,914
Equity Account 07502 9423 9156	14,624,777	11,790,891
Equity Accounts Angawa 1260 2997 51274	2,752,948	6,221,866
KCB Current Account 111 576 6643	6,777,506	671,506
KCB Development Account 111 387 3035	5,556,436	816,624
KCB HELB Account 111 712 2409	12,540,965	2,055,965
KCB Savings Account 111 304 6066	9,841,901	34,168,910
EQUITY KLIP 1 Account 0750298895605	2,748,493	2,713,633
EQUITY KLIP 2 Account 0750299070880	207,583	204,542
EQUITY ACE 11 Project Account 0750271748376	56,115,596	80,315,084
Bank Guarantee	1,000,000	1,000,000
	159,309,086	348,313,934
18 Receivables from Exchange Transactions		
Students Debtors	321,031,755	298,292,883
Staff Imprest	5,591,015	10,655,249
Provision for Bad and Doubtful Debt	(184,729,561)	(53,152,893)
	141,893,209	255,795,239
19 Receivables from Non- Exchange Transactions		
Deposit Kpl Co Ltd	464,000	464,000
Internal Debtors	555,067	1,349,067
Prepaid Expenses	40,000,120	28,639,720
Government Grants Receivables	96,879,246	-
Other Debtors	2,337,240	1,000,000
	140,235,673	31,452,787
20 Inventories		
Stocks Maintenance Stores	9,523,778	7,217,861
Stocks Canteen	144,112	276,063
Stocks Stationery	6,165,497	5,234,972
Stocks Medical Drugs Reagents and Others	3,495,646	5,083,116
Stocks Cleaning Materials	623,729	244,692
Stocks Foodstuff	256,103	521,430
Bottling Plant	199,254	-
	20,408,121	18,578,134
21 Biological Assets		
Biological Assets	775,000	625,000
	775,000	625,000
22 Intangible Assets(ERP Software)		
Opening Balance	4,408,098	5,408,579
Additions for the Year	-	1,197,580
Less Amortization	(2,198,061)	(2,198,061)
Closing Balance	2,210,037	4,408,098

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Notes (Continued)

23. Property Plants and Equipment

23	Current year	Land	Buildings	Work in Progress	Motor Vehicles	Plant & Equipment	Crockery's	Library Books	Computers	Furniture & Fittings	Total
	Cost										
	At 1 July 2017	190,501,760	290,042,295	1,548,803,635	75,761,631	68,646,594	1,927,174	38,467,379	47,940,980	64,978,572	2,327,070,020
	Additions	-	-	271,072,429	33,224,214	5,380,255	29,500	2,243,669	1,249,591	170,430	313,370,088
	Transfers	-	20,949,738	(20,949,738)	-	-	-	-	-	-	-
	At 1 July 2018	190,501,760	310,992,033	1,798,926,326	108,985,845	74,026,849	1,956,674	40,711,048	49,190,571	65,149,002	2,640,440,108
	Additions	-	-	284,256,949	-	3,963,000	276,200	894,867	7,225,221	7,772,990	304,389,227
	Transfers	-	699,459,990	(699,459,990)	-	-	-	-	-	-	-
	At 30 June 2019	190,501,760	1,010,452,023	1,383,723,285	108,985,845	77,989,849	2,232,874	41,605,915	56,415,792	72,921,992	2,944,829,335
	Depreciation										
	At 1 July 2017	-	40,139,356	-	56,187,176	47,064,648	1,566,215	25,217,266	39,991,244	31,232,060	241,397,965
	Charge for the Year	-	7,826,057	-	13,534,514	7,981,080	309,409	5,008,812	5,764,197	7,996,097	48,420,166
	At 1 July 2018	-	47,965,413	-	69,721,690	55,045,728	1,875,624	30,226,078	45,755,441	39,228,157	289,818,131
	Charge for the Year	-	25,261,301	-	11,984,514	7,670,039	168,840	4,386,723	4,729,773	7,718,648	61,919,836
	At 30 June 2019	-	73,226,714	-	81,706,204	62,715,767	2,044,464	34,612,801	50,485,214	46,946,805	351,737,967
	Net Book Value										
	At 30 June 2019	190,501,760	937,225,310	1,383,723,285	27,279,642	15,274,082	188,410	6,993,114	5,930,578	25,975,188	2,593,091,368
	At 30 June 2018	190,501,760	263,026,620	1,798,926,326	39,264,155	18,981,121	81,050	10,484,970	3,435,130	25,920,845	2,350,621,977

Note

Asset donation made out of public funds from the National government located at Nambale land whose value is Kshs. 850,000 and building valued at Kshs. 767,000 were not considered as additions into the register since titles were not ready as at the end of FY 2018-19

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Notes (continued)	2019	2018
	Kshs.	Kshs.
24 Trade and Other Payables		
Accounts Payable	9,855,456	39,911,179
payables Clearing A/c Inventory	-	1,820,624
	9,855,456	41,731,803
25 Employee Benefit Obligations		
Employee Benefit Obligations	4,820,640	4,820,640
Part-Time Lecturers	33,890,612	22,313,500
KRA Withholding Tax Control	2,595,121	920,699
Leave days Control	12,494,933	30,000,883
	53,801,306	58,055,722
26 Refundable Deposits from Customers		
Student Caution Money	15,377,825	16,107,425
Contractors Retention Amount	12,493,309	3,219,824
General Third Parties	1,619,800	2,189,000
KUCCPS Placements	2,301,500	-
	31,792,434	21,516,249
27 Deferred Income(research grants)		
ICDL Project	-	3,758
KLIP Ecotourism	14,880	107,390
NACOSTI	3,028,750	3,258,955
TNO FF Project	470,558	470,558
UHV Followship	873,073	1,763,364
ACE 11-World Bank	56,115,596	80,315,084
National Research Fund	9,215,929	7,086,990
IGAAD	573,750	573,750
Water Quality Challenge	-	28,471
Health Sector support Project	3,307,816	3,307,816
World Health Organization	322,160	322,160
Water Hyacinth Project	104,245	104,245
Recycling Networks Project	321,099	359,420
Conflict Violence and Environmental Change Project	73,095	810,590
Compact Cities and Informal Settlements	807,376	961,706
Preterm Birth	-	508,684
Waste Governance	608,281	379,126
Solar Milk Cooling System	-	113,427
Sempre Award	-	51,132
Neonatal Sepsis Study	1,737,620	2,597,258
Clean Cooking solutions(NRF)	3,613,279	5,802,159
Promotion and Participation of Persons with Disability	178,625	9,464,948
Clean Cooking solutions(ADB)	107,214	259,772
Pamoja Project	367,821	-
Mobility Fund	629,339	-
Whose Heritage Matters	616,948	-
Common wealth-TEL /DeltaProject	870,901	-
Unkown (Sveriges Lantbr)	812,000	-
Grassroot Financial Innovation	4,769,690	-
	89,540,045	118,650,761
28 Prepayments & Deposits		
Student Advanced Receipts	78,543,070	59,812,306
29 Bank Loan		
Bal B/f	165,365,377	174,000,000
Less: Payments	(10,194,565)	(8,634,628)
Less Current Loan Payable within the year	(11,778,413)	(9,526,456)
Bal Cf	143,392,398	155,838,916

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Notes (continued)	2019 Kshs.	2018 Kshs.
30 Capital Grants Reserve		
Capital Development Grants	191,090,469	50,875,000
EQUITY	2,481,200,503	2,227,400,738
Transfer from Retained Earnings	50,000,000	202,924,765
	2,722,290,972	2,481,200,503
31 Revenue Reserves		
Opening Balance	63,462,455	246,283,311
Transfer to capital reserves	(50,000,000)	(202,924,765)
For the year	(96,534,055)	20,103,909
	(83,071,600)	63,462,455

32. The capital reserve relates to items of property, plant and equipment developed from capital grants from the National Government, inherited from the former Bondo teachers Training College and other transfers from revenue reserves on purchase of additional assets. This is stated after accumulating subsequent capital grants from the National Government.

33. Contingent Liabilities

The University had no contingent liabilities in the year (2018-2019-Nil).

34. JOOUST Enterprise Limited

The University registered JOOUST enterprises Limited during the year. The operations of the company are yet to fully take off as the University is still undergoing the legal framework for its operation. Some of the activities will be consultancies and other IGU.

35. Related Party Disclosures

(i) The National Government through the ministry of Education is the principal shareholder of the University holding 100% of the University equity interest. The Government of Kenya provides full guarantee to University loans.

ii) The University is a single entity without controlling interest in any other entity and as such did not trade in that respect.

iii) Council expenses relates to facilitative allowances paid to members during attendance of meetings as per the calendar of activities. The expenses as per note 14 and key management remunerations are as shown below:

	2019 Kshs	2018 Kshs
Council	15,507,823	17,457,150
Salaries and allowances for senior management	72,083,273	68,003,088

36. Financial Risk Management

The University's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The University's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

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

(i) Credit risk

The University has exposure to credit risk which is the risk that counterparty to a financial instrument will be unable to pay amounts in full when due thus causing a financial loss. Credit risk arises from cash and cash equivalents and trade receivables.

Credit risk on trade receivables is managed by ensuring that credit is extended to customers and students with established credit history. Credit is managed by setting the credit limit and the credit period for each category of customer. The University Management Board on a monthly basis monitors the parameters.

The carrying amount of financial assets recorded in the financial statements representing the University's maximum exposure to credit risk is made up as follows:

(ii) Market risk

The University has put in place an internal audit function to assist it in assessing the risk faced by the University on an on-going basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks: currency risk, interest rate risk and other price risk.

There was borrowing from a Commercial Bank and therefore the University is prone to this type of risk

(a) Foreign currency risk

Foreign currency exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the university's functional currency. The university primarily transacts in the Kenya shilling and its assets and liabilities are denominated in the same currency. The university's exposure to foreign currency risk arises from Invoices and research grants denominated in foreign currencies. Conversion to functional currency at the time of payment or receipt is done using the prevailing exchange rate.

(b) Interest rate risk

Interest rate risk is the risk that the University's financial condition may be adversely affected because of changes in interest rate levels. The University's interest rate risk arises from deposits with financial institutions. This exposes the University to cash flow interest rate risk.

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

(C) Fair value of financial assets and liabilities

The University uses fair value hierarchy valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. The carrying amounts of financial instruments in the University are a reasonable approximation of fair values.

(D) Capital risk management

The university has applied capital risk management to safeguard the council's ability to continue as a going concern.

Sensitivity analysis

The University analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates no impact on the statement of financial performance. This is due to the fact that at the end of the financial year there was no investment that would be affected by fluctuations in the interest rates.

(iii) Price risk

The University does not hold investments that would be subject to price risk; hence, this risk is not relevant.

37. Statement of Debts Guaranteed By the National Treasury.

The Council reiterates that as at 30th June, 2019, there was borrowing that were guaranteed by the National Treasury as required by Sec 81(2) (c) of the Public Finance Management Act No. 18 of 2012

38. Leases Arrangements.

The University continues to lease property in places where it operates but do not own the property. Currently the University has presence in Kisumu Town, Kisii Town, Nairobi City and Nambale Town. The University has secured operating leases paid for within the financial year for period ranging from 2 to 5 years. The Council will continue to ensure that all requirements with respect to offering university education are met by all rented facilities. Previously Kisumu campus operated from a rented facility. The University has since secured a more spacious property at the Milimani area to run its activities.

38. Events after the reporting period

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

39. Ultimate and holding entity

The entity is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

40. Currency

The financial statements are presented in Kenya Shillings (Kshs)

41. Research Grants Reconciliation

Research Grants are receivable from institutions both local and foreign that have entered into funding agreements for purposes of furtherance of areas of common interest in training, research and community outreach activities. The terms of these grants are as specified in the agreements.

Research movement in the year is as shown in the table:

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S/NO.	PROJECT NAME	Balance as at 1/7/2018	Amount received	Expenditure	Balance as at 30.06.2019
1	ICLD Project	3,758	1,338,918	1,342,676	-
2	KLIP Project	107,390	3,096,100	3,188,610	14,880
3	NACOSTI	3,258,955	1,047,860	1,278,065	3,028,750
4	UHIV Fellowship	1,763,364	1,830,000	2,720,291	873,073
5	National Research Fund	7,086,990	7,629,304	5,500,365	9,215,929
6	TNO FF Project	470,558	-	-	470,558
7	IGAAD	573,750	-	-	573,750
8	Water Quality Challenge	28,471	-	28,471	-
9	Health Sector Support Project	3,307,816	-	-	3,307,816
10	World Health org.	322,160	-	-	322,160
11	Water Hyacinth Project	104,245	-	-	104,245
12	Recycling Networks Project	359,420	1,611,741	1,650,061	321,099
13	Conflict Violence & Environmental Change	810,590	-	737,495	73,095
14	Compact Cities & informal settlements	961,706	860,082	1,014,412	807,376
15	Preterm Birth	508,684	544,256	1,052,939	-
16	Waste Governance	379,126	1,115,947	886,792	608,281
17	Solar Milk Cooling System	113,427	-	113,427	-
18	Sempre Award	51,132	28,750	79,882	-
19	Neonatal Sepsis Study	2,597,258	4,875,000	5,734,638	1,737,620
20	Market based approach in clean cooking solutions in Kenya & Tanzania(NRF)	5,802,159	-	2,188,880	3,613,279
21	Promotion & Participation of Persons with Disability	9,464,948	-	9,286,323	178,625
22	Market based approach in clean cooking solutions	259,772	4,331,765	4,484,323	107,214
23	Pamoja Project	-	1,047,000	679,179	367,821
24	Mobility Fund	-	629,339	-	629,339
25	Whose Heritage Matters	-	2,241,351	1,624,403	616,948
26	ACE II Project	80,315,084	41,949,414	66,148,902	56,115,596
27	Common wealth-TEL /Delta Project	-	1,856,565	985,664	870,901
28	Unknown (Sveriges Lantbr)	-	812,000	-	812,000
29	Grassroots Financial Innovation	-	5,611,400	841,710	4,769,690
	Grand total	118,650,761	82,456,792	111,567,508	89,540,045

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XVII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

In the year ending 30 June 2018, the University received a qualified report. The University has addressed all the issues raised in the audit report and continues to enhance the internal control measures for continuous improvement of its service delivery.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status:	Timeframe:
				(Resolved/ Not Resolved)	(Put a date when you expect the issue to be resolved)
4.1	Unsupported Receivables from non-Exchange transactions	Attached is the correct status for students debts as at the end of the year	CPA Nancy Muchai-CFO	Resolved	Jun-19
4.2	Inaccuracy of students debtors and provision for bad and doubtful debts	Attached do find the correct tabulation of students debtors	CPA Nancy Muchai-CFO	Resolved	Jun-19
4.3	Financial statements employee cost differs with the schedule Figure	The total payroll was Kshs 861,415,955.37 as per the schedule which is the correct figure as per the payroll and financial statements.	CPA Nancy Muchai-CFO	Resolved	Jun-19
4.4	Unsupported Advertising, Publicity and Admission Expenses	The unsupported data is hereby provided for your attention	CPA Nancy Muchai-CFO	Resolved	Jun-19
4.5	Salary Paid after expiry of the contract	The staff, Peter Omemo has so far not cleared with the University. We have communicated to him to clear and pay the amounts. Copy of our communication to him is attached for your verifications.	CS. Rosemary Ngesa-Registrar Administration	Not resolved	Jun-19
4.6	Failure to account for receipts by the existing staff	The staff resigned from office in January 2018. The University is going through the records to get actual position of pending amount. The University has recorded most of the unaccounted amounts through withheld salary, passage and baggage allowance and unutilized leave days. Any other balance which will be ascertained will be paid by the staff upon clearance with the University. We have written to the staff to ensure that they clear with the University before taking other legal action.	CS. Rosemary Ngesa-Registrar Administration	Not resolved	Jun-19
4.7	Unreturned imprest	The correct status is as shown in the attached schedule and support documents.	CPA Nancy Muchai-CFO	Resolved	Jun-19

Vice-Chancellor.....

Ag. Chair of the Council.....

Date.....

Date.....

APPENDIX I: PROJECTS IMPLEMENTED BY THE ENTITY

Projects

Projects implemented by the University Funded by development partners

Project title	Project Number	Donor	Period/duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
African Centre of Excellence in use of Insects as food and feed	P151847	International Development Association (IDA) World Bank	5 Years	600 Million	Yes	Yes

Status of University Projects completion

	Project	Total project Cost Kshs'000'	Total expended to Kshs'000'	Completion % to date	Budget Kshs'000'	Actual Kshs'000'	Sources of funds
1	Ultra-Modern Library	471,964	312,787	66%	74,250	74,250	Gok
2	Administration Block	715,026	30,750	5%	27,457	27,000	Gok
3	Research Centre	499,307	53,817	10%	113,750	44,965	Gok
4	Tuition Block	831,676	60,906	7%	91,750	44,876	Gok

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APPENDIX II: INTER-ENTITY TRANSFERS

JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY				
Break down of Transfers from the State Department of Education				
FY 2018/2019				
a.	Recurrent Grants			
		Bank Statement	Amount (KShs)	FY to which the amounts relate
		2/8/2018	76,081,669.00	2018/2019
		31/08/2018	76,081,669.00	2018/2019
		1/10/2018	76,081,669.00	2018/2019
		20/12/2018	76,081,669.00	2018/2019
		20/12/2018	71,516,769.00	2018/2019
		7/1/2019	71,516,768.00	2018/2019
		8/3/2019	74,560,036.00	2018/2019
		18/03/2019	74,560,036.00	2018/2019
		4/4/2019	69,995,135.00	2018/2019
		6/5/2019	76,081,669.00	2018/2019
		12/6/2019	76,081,669.00	2018/2019
		30/06/2019	76,081,669.00	2018/2019
		30/06/2019	96,879,246.00	2018/2019
		Total	991,599,673.00	
b.	Development Grants			
		Bank Statement Date	Amount (KShs)	FY to which the amounts relate
			27,000,000.00	2018/2019
		18/12/2019	34,599,155.00	2018/2019
		30/03/2019	2,173,500.00	2018/2019
		13/06/2019	47,132,845.00	2018/2019
		31/05/2019	80,184,969.00	2018/2019
		Total	191,090,469.00	
c.	Direct Payments			
		Bank Statement Date	Amount (KShs)	FY to which the amounts relate
	NACOSTI	10/07/2018	1,047,860.00	2018/2019
	NRF	07/07/2018	1,226,215.00	2018/2019
	NRF	28/12/2019	500,000.00	2018/2019
	NRF	09/05/2019	6,403,089.00	2018/2019
		Total	9,177,164.00	
d.	Donor Receipts			
		Bank Statement Date	Amount (KShs)	FY to which the amounts relate
	World Bank	04/04/2019	39,220,058.00	2018/2019
	World Bank	11/04/2019	1,315,641.00	2018/2019
		Total	40,535,699.00	