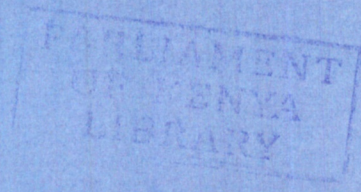


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY PAPERS LAID	
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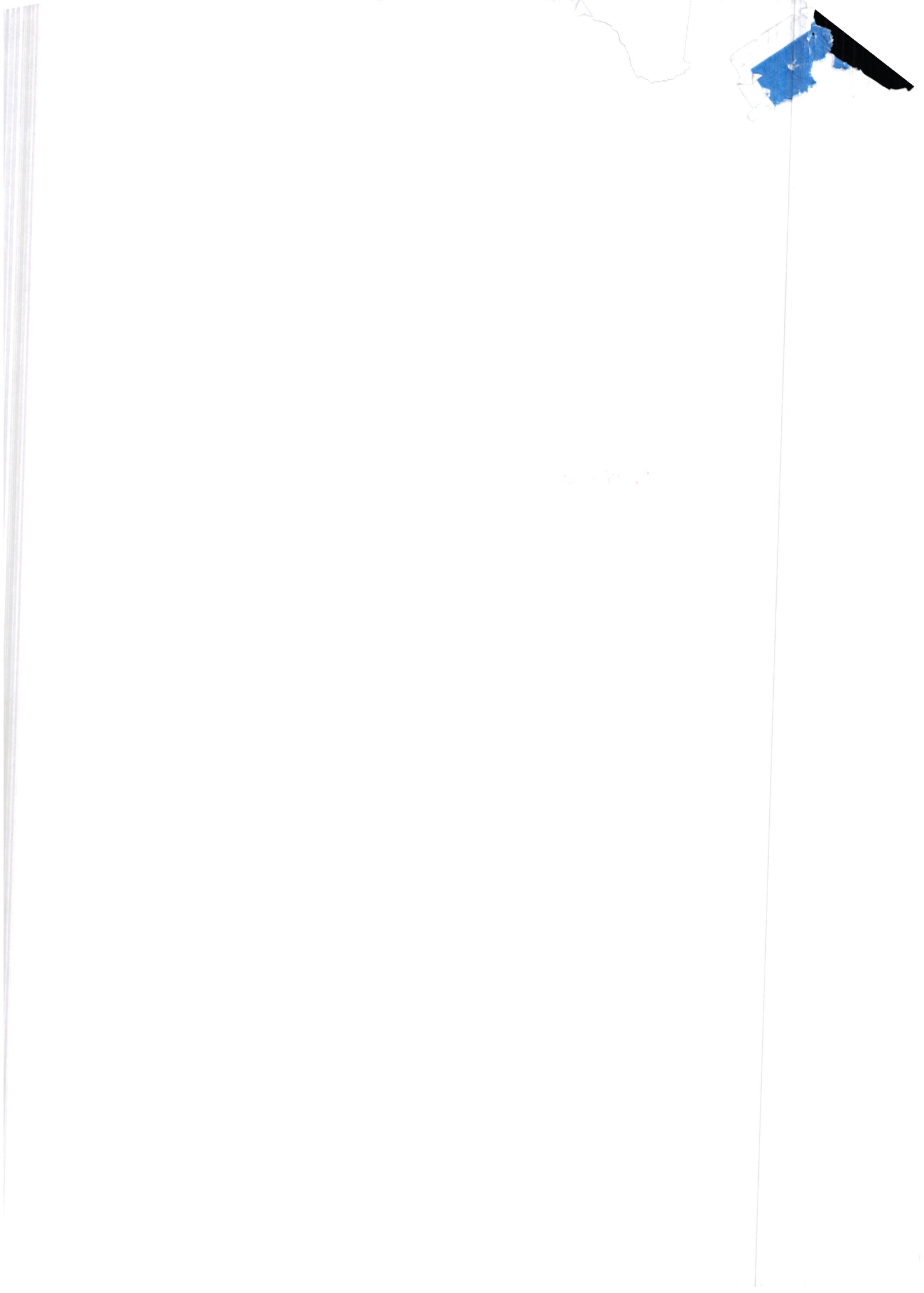


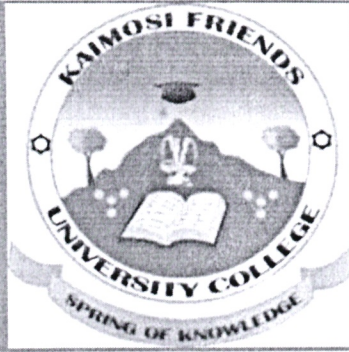
THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
KAIMOSI FRIENDS UNIVERSITY
COLLEGE**

**FOR THE YEAR ENDED
30 JUNE 2018**





KAIMOSI FRIENDS UNIVERSITY COLLEGE (KAFUCO)

(A Constituent College of Masinde Muliro University of Science and Technology)

P.O. Box, 385 - 50309,

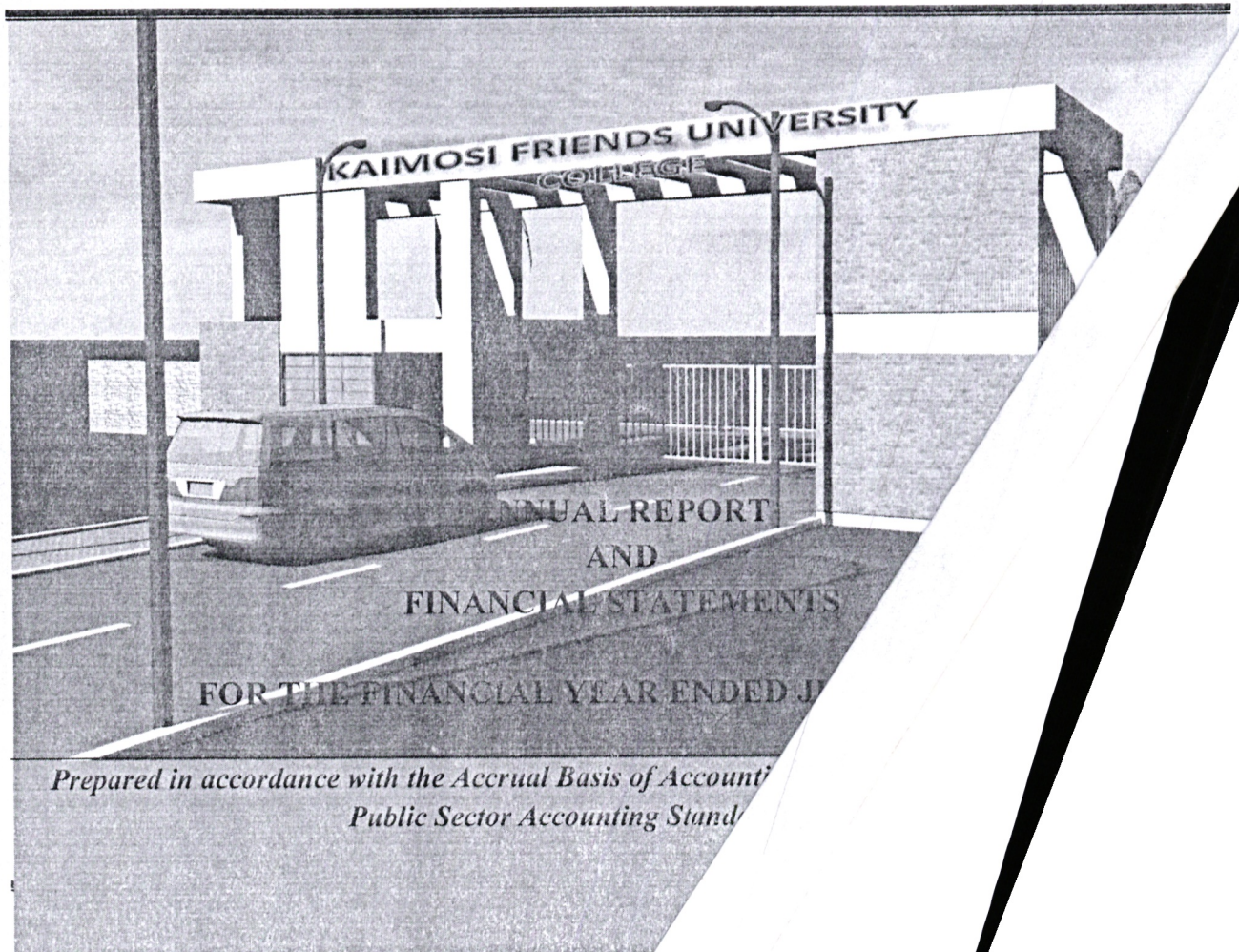
Chavakali-Kapsabet Road,

Kaimosi-Vihiga

Telephone: 0777373633

E-mail: principal@kafuco.ac.ke

Website www.kafuco.ac.ke



*Prepared in accordance with the Accrual Basis of Accounting
Public Sector Accounting Standards*



VISION, MISSION AND CORE VALUE

VISION

To be a University of Excellence in Teaching, Learning, Research, Innovation and Holistic Development

MISSION

To provide quality education and training, research and innovation to meet the needs of a dynamic Society

CORE VALUE

Academic excellence

Integrity

Innovation

Equity

Dynamism

Professionalism

Quality

Teamwork

Social responsibility

MOTTO

Spring of Knowledge



PHILOSOPHY

Kaimosi Friends University College endeavours to be ranked amongst the world class

STRATEGIC OBJECTIVES

KAFUCO will continue to focus on the following strategic objectives as set out in the strategic plan 2017-2022:



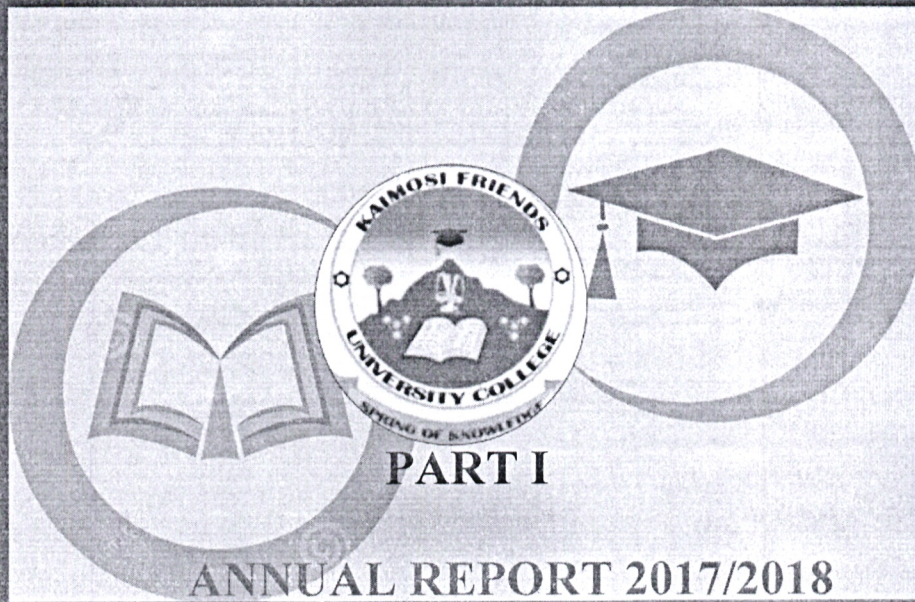
- To increase student enrolment equitably
- To develop and implement demand driven academic programmes
- To enhance quality assurance in teaching, development and research
- To institutionalize effective research, development and innovation.
- To harness human resources, increase and diversify funding
- To enhance infrastructure, tools and equipment
- To improve on governance and Management
- Enhance collaboration and linkages
- Enhance security

PRINCIPAL ACTIVITIES OF THE UNIVERSITY COLLEGE

The principal activities of the University College are derived from the core functions as set out in the Universities Act 2012 and the University College statutes. The mandate of KAFUCO is to provide quality education and training, research and innovation to meet the needs of a dynamic society.

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GENERAL INFORMATION

PRINCIPAL PLACE OF BUSINESS

Kaimosi Friends University College
Off Chavakali-Kapsabet Road,
P.O Box 385-50309

KAIMOSI, KENYA

BANKERS OF THE UNIVERSITY

Co-operative Bank of Kenya Limited
Mbale Branch.
P.O Box 816-50300

MARAGOLI

Kenya Commercial Bank Limited,
Serem Branch.
P.O Box 122-50308

SEREM

Kenya Commercial Bank Limited
Mbale Branch.
P.O Box 1123 -50300

MARAGOLI

Equity Bank Limited,
Mbale Branch.
P.O Box 545 -50300

MARAGOLI

INDEPENDENT AUDITORS

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

NAIROBI, KENYA

PRINCIPAL LEGAL ADVISER

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112

City Square 00200

NAIROBI, KENYA

UNIVERSITY COLLEGE CONTACTS

Telephone: 0771373639
E-mail: principal@kafuco.ac.ke
Website: www.kafuco.ac.ke

HISTORICAL BACKGROUND OF THE UNIVERSITY

The Financial Year 2017/18 has been a year of great strides and accomplishments for KAFUCO, its management, staff (academic and administrative) as well as the students in many aspects. The level of academic & non-academic activities, initiatives, partnerships and collaborations grew in a robust and dynamic aspects despite enormous challenges that KAFUCO faced.



Quick facts about Kaimosi Friends University College

- KAFUCO is the only university in the tropical rain forest in Kenya. It is the first and the only University in Vihiga County
- October, 2006 the East Africa Yearly Meeting of the Friends Church (Quakers) proposal to establish a University and submitted to Commission for University Education
- November, 2008 CUE paid the first visit to ascertain progress on the proposed establishment of a University
- July, 2011 CUE second inspection visit observed that no significant progress had be made
- 2012, Friends Church decided to explore the possibility of establishing the KTTC as a constituent College of a Public University
- July, 2012 MMUST Council considered Friends Church request and recommended the establishment of Kaimosi Friends University College as her Constituent College
- January, 2014 CUE inspected the KTTC with view of establishing the proposed University
- January, 2014 Transition committee was formed consisting Ministry of Education, KTTC, County Government, and MMUST and chaired by the Vihiga Governor. Stakeholder proposed relocation of KTTC to new site next to Kaimosi Boys High School



Quick facts about Kaimosi Friends University College (CONT.)

- February, 2014 MMUST appointed Prof. Ogodo. M.J. Nandi to coordinate MMUST steering committee in addressing accreditation issues with CUE
- April, 2014, CUE recommended upgrade of KTTC to a constituent college of MMUST
- September, 2014 Prof. Ogodo. M.J. Nandi was appointed Director of KAFUCO
- September, 2014 MMUST seconded the first batch of 528 student and 46 staffs to KAFUCO
- 22nd May, 2015 KAFUCO was gazetted following the legal Notice No. 87 in the Kenya Gazette Supplement No. 65
- February, 2016 MMUST Council appointed Prof. Ogodo. M.J. Nandi as Ag. Principal, Prof. Y.K Ayodo as Ag. Deputy Principal (A&SA) and Prof. M.M Amadalo as Ag. Deputy Principal (AF&P)
- 7th November 2016 Ministry of Education appointed a Council for KAFUCO
- 2nd December 2016 KAFUCO Council was inaugurated
- 9th January 2017 KAFUCO received the first cohort of students
- January, 2018 Cabinet Secretary of Ministry of Education appointed Prof. Ogodo. M.J. Nandi as Principal, Prof. Y.K Ayodo as Deputy Principal (A&SA) and Prof. M.M Amadalo as Deputy Principal (F&D)
- February, 2018 CUE visit for Technical Inspection of facilities for award of Charter
- May, 2018 CS Hon. Dr. Amb. Amina Mohamed visit to KAFUCO to assess the transition status between KAFUCO and KTTC

2017/18 KEY EVENTS

Inspection by Commission for Higher Education

As a commitment towards improving the standards of teaching and the infrastructure of the university college, the Management on 21st February, 2018, welcomed the Commission for Higher Education (CUE) officers. During the visit, CUE carried out technical inspection to assess progress that the institution has made and consider it for Charter. This involved inspection of both infrastructure and academic programmes in terms of providing quality service. The Institution was required to address the recommendations and respond in the next Financial Year.



Commission for University Education Visit to KAFUCO

Cabinet Secretary Visit to KAFUCO

The CS, Ministry of Education, Dr. Amb. Amina Mohammed visited the University College on 16th May, 2018. The visit was vital as the University Council and Management had an opportunity to highlight the gains made as well as challenges encountered by in the management of the young University. This saw the Minister promising focus, greater cooperation and continued dialogue.



Dr. Amb. Amina Mohammed, CS MOE During her visit to KAFUCO

Performance Contracting

This year, the University College invested in excellent service delivery and the smooth running of the institution, to ensure that Kafuco is a world class university with international standards by approving the Performance Contracting policy. The report was signed by the Principal and his deputies for implementation.



Figure 1 The Council Chairperson signs the Performance Contract with the Principal

MEMBERS OF THE UNIVERSITY COUNCIL

The Profiles for the university council members who were in office in the year 2017/2018 are presented here below:

CHAIRPERSON



Dr. Bernadette Mungai,
BBM(USIU), MBA(USIU), PhD(KU).
YoB: 1959

Dr. Mungai is a Consultant and an Entrepreneurship Development Expert with twenty seven years experience in the African region. She has been a Team Leader on various donor funded projects – the British Council, DfID and The World Bank funded Private Sector Development Projects. She has also been involved in capacity building, strategic management and business development programmes. She has extensive experience in Africa having worked in Kenya, Ethiopia, Uganda, Tanzania, Rwanda, Ghana, Nigeria, South Africa, Zimbabwe and South Sudan.



Prof. Ogado. M.J. Nandi, Secretary
YoB: 1965.

BA (UoN) MBA
(Moi University),
MA (UoN), PhD
(Maseno University).

Prof. Ogado, M.J Nandi is a full Professor and currently the Principal Kaimosi Friends University College. He has over twenty five years of teaching and research experience at University level and has published several texts books and articles in refereed journals. He has also won International research grants in multi-disciplinary research. He has taught and supervised many students at masters and PhD level. Prof Nandi has served as Administrator for over fourteen years of which six year as head of department and eight years as a Director. He is a member of professional bodies and has also made several linkages with scholars in other countries.



CPA Joseph Z. M. Abuta,
Member

YoB: 1951

MBA
JKUAT),CPA(K),
CPS(K)

CPA Abuta Possesses wide experience of over forty years in corporate governance / management, company secretarial practice, public finance, auditing and executive management. He has served in various capacities as a tutor, accountant, finance manager, company secretary and CEO. He has published several professional articles for training and research use and participated/assisted in developing various rural based projects like schools, churches and health centers. CPA Abuta has received Merit /Commendation certificates for services offered to various institutions/organizations. Currently he is the Public Finance Expert at Kisumu Urban Project and a lead consultant in Machogu Abuta & Associates.



Dr. Ellie Osir,
Member YoB: 1956.

Bsc, (UoN),
PhD,(University of
Arizona,USA)

Dr. Osir has wide experience in strategic planning and management. Has a large number of projects that he has developed having been in leadership position for about 12 years, mainly as head of a major research department between 1992 and 2005 and as interim Director of Research .Since 2006, he is a senior program specialist with the International Development Research Center (IDRC) responsible for the program on Science and Innovation in Southeast Asia and Africa. Currently based at the Nairobi office. He has managed a large number of research projects in Asia covering various aspects of science, technology and innovation (STI), including biotechnology innovations and biosafety policies. Dr. Osir is currently managing the \$14M Science Granting Councils Initiative for Sub-Saharan Africa which is jointly funded by the Canada's International Development Research Centre (IDRC), United Kingdom's Department for International Development (DFID), and South Africa's National Research Foundation (NRF).



Dr. Josephine Waudo,
Member

YoB: 1955.

Cert Teacher
Education,(State of
Israel), Higher National
Diploma,(KIPC), BED,
(UoN), PhD, (KU).

Dr. Waudo is currently a Council Member- Kitale National Polytechnic and has taught as a Part-Time Lecturer, Mount Kenya University. She has been working as an Acting Deputy Director- Research in charge of Policy, Planning & Strategy Division in the Directorate of Research Management and Development at Ministry of Education Science and Technology Headquarters. She was once an Assistant Director Quality Assurance and Standards Officer in charge of Teacher Education Development at MoE Headquarters and Senior Inspector of Schools in charge of Grading and Re-grading of Teachers Sub Section and in addition coordinated Social Studies Subject at the MoE Headquarters.



CPA Romana Kimende,

Member
YoB: 1966.

B.Ed, Econ & Bus
(KU), MBA (ANU,
Aus) CPA (K) Dip.
Accounting (S.QLD,
Aus).

CPA Romana has a wealth of experience in financial management and education administration from the public and private sectors as well as Non-Governmental organizations in Kenya. She has held various management positions with the United Nations Development Programme (UNDP) Kenya, CARE International, Ministry of Education, Ministry of Finance and Ministry of Trade and has experience in managing secondary school Boards. She chairs the KAFUCO Audit Committee and is a member of the Human Resources Committee. She is currently a Consultant in Financial Services & Project Management.



Mr. Isaac Gitahi Thuita,
Rep State Department
of University
Education &
Research.
YoB: 1959.

Higher Diploma
(University of Kwazulu
Natal SA), B.ed,
(UoN),MED, (KU)

Mr. Thuita has worked as Quality Assurance officer Ministry of Education and served as Executive Officer Kenya Colleges and School council from 2001 to 2007. He was a focal point person HIV/ AIDS Education in East and Central Africa Region and Investment Team leader World Bank Programme for Vulnerable Children. He is currently a deputy Director state department for University Education.



Ms. Jacqueline
Ingutiah, **Member**

YoB: 1980.

LLB (Moi
University), MA
(Coventry University),
MCI Arb

Ms. Ingutiah is an Advocate of the High Court of Kenya currently the Project Lead at Advocates for International Development (A4ID) heading the Business and Human Rights Programme. Previously, Ms. Ingutiah worked at Federation of Women Lawyers (FIDA) Kenya as a Senior Legal Counsel where she provided legal aid services for needy women and engaged in advocacy for social and legislative reforms in Kenya. In addition, she engaged in regional advocacy at the East African Community and African Commission on Human's and People's Rights (ACHPR). Jacqueline holds a Masters of Arts Degree in Peace and Reconciliation Studies from Coventry University and LLB from Moi University. She is a member of the Law Society of Kenya, FIDA Kenya and Chartered Institute of Arbitrators. In addition, she is the Vice-Chairperson of the West Kenya Law Society, mediator under the Judiciary Court Annexed Mediation Pilot Project and a member of the Ethics Review Committee at Jaramogi Oginga Odinga Teaching and Referral Hospital.



Ms. Jane W. Wambugu,
Rep National Treasury

YoB: 1965

MBA-Finance (KEMU), CPA(K)

Mrs. Jane W. Wambugu was appointed Alternate Director to the Cabinet Secretary, the National Treasury in May 2017 where currently serving in Department of Public Investment & Portfolio Management. She has served in various Government Ministries as an accountant with more than 20 years' experience having worked as Project Accountant in Energy Sector donor funded projects for 5 years and 4 years as Deputy Head of Accounts Unit respectively. Member of Institute of Public Accountant of Kenya (ICPAK) and member of Institute of Certified Investment Financial Analyst (CIFA)

MEMBERS OF THE UNIVERSITY COLLEGE MANAGEMENT BOARD

The Key management personnel who held office during the financial year ended 30th June, 2018 and who had direct fiduciary responsibilities are presented here below:



**Prof. Ogodo. M.J. Nandi
Principal**
BA (UoN)MBA(Moi
University),MA(UoN),
PhD(Maseno University)



**Prof M.M Amadalo, Deputy
Principal, (Finance &
Development)**
Bed,(Sc),Hons(UoN), Med(Ku),
PhD(Ku)



**Prof. Y.K Ayodo,
Deputy Principal, (Academic
and Student
Affairs)** Dip.Ed (Sc) (KSTC),
B.Ed (Sc) Hons, M.Phil. D.Phil
(Moi University)



**Dr. E. Okwako ,
Dean SESS**
B.ed(Arts),Hons,M.Phil, PhD.



**Dr. Samwel Munda,
Assistant Registrar (Academic
Affairs)**
B.ed(Sc), M.ed (mgt) Egerton
University PhD.(MMUST)



**Mr. P.A.Mugesani,
Senior Assistant Registrar
(HR & Admin)**
B.ed(Arts)Hons(KU),
MBA(Hrm)(KU)



**CPA Lorine Obonyo,
Senior Accountant**
B.Com(Finance)Hons(CUEA),
MBA(Maseno
University),CPA(K)



**Mr.D. Okaka,
Ag. Dean, SOBE**
B.ed (Bus) – (KU) Hons, MBA
(UoN)



**Dr. D. Were,
CoD, Education**
B.ed, M.Phil, PhD



Ms. C. Amusala,
Senior Assistant students
Counsellor
 B.ed (Arts) Hons (Egerton), PGD
 in Guidance and Counselling
 (KU), MPil Guidance and
 Counselling (MMUST).



Ms Linet Mayavi,
Advocate
In-Charge Legal Affairs
Office
 LLB (Hons) KU, Post Graduate
 Dip,
 Law (KSL). Dip. Public Relations
 (ICM)



Mr. E. Wanyama,
In-Charge Health Services
 Diploma (Clinical Medicine
 & Surgery), Bsc.
 Environmental Health.



Mr. P. Musau,
In-Charge ICT
 Msc Data Communications
 (KCA), Bsc with IT (Maseno
 University)



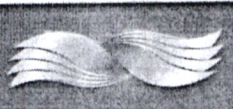
Ms. C. Shikuku,
Assistant Librarian
 Diploma (Information Studies)
 Kenya Polytechnic, Bsc
 (Information Science) Moi
 University, Msc (Moi University).



Mr Okumu Wawire,
In-Charge Procurement
 Diploma in Purchasing and
 Supplies Management, Bachelor
 of Commerce (Purchasing &
 Supplies Option) MMUST.



Mr. B. Omolloh
In-Charge Estates
 B.Tech. Civil and Structural Eng.
 (MMUST)



CHAIRPERSON'S STATEMENT



I have the pleasure to present a synopsis of the University College performance for the year ended 30th June 2018. Despite aspects of institutional transformation for a young university being demanding, Kaimosi Friends University Constituent College (KAFUCO) has this past year, FY 2017/18, been characterised by nurturing the University College into a University of excellence in teaching, research, and innovation.

The University College has seen a hive of activities; among them, developing Statutes, strategic plan twenty four (24) policies and setting the governance structures that included recruiting the top management to govern the University College. Transforming the University College national and international position by targeting an increase in students' enrolment from 1,193 in 2017 to 1,774 in 2018. Making external grant applications, to improve standing in national and international research rankings and, improving visibility through aggressive marketing.

The University College has also endeavored to abide by recommendations as advised by Commission for University Education (CUE) during its first technical inspection in February, 2017. The University College is on the right track to being chartered by the CUE.

It has been keen in addressing national aspirations by conforming to National policies such as Big Four agenda, STPs, Kenya Vision 2030 and Sustainable Development Goals. This culminated in signing of the first Performance Contract with the Government of Kenya through the Ministry of Education for the period FY 2017/2018. The University College was able to track its performance albeit with explained shortfalls due to financial constraints.



KAFUCO's financial results were in line with the University College guidance targets. We were able to continue to grow usefully and lay the foundation for sustainable, long term growth. As the changes in University education continue apace, it is envisaged that within three years, the University College will have developed into a full-fledged University. That it will also actualize the strategic intent of the Government through its strategic objectives. We welcome the Report, which is designed to make sure that, along with other agencies, we are adapting to provide the most effective and efficient support for the sector while it goes through change.

As our 2nd Anniversary year draws to a close, I want to extend thanks to the Government of Kenya, Council members and management who have made the FY 2017/18 another significant year in the KAFUCO's history. We are also hugely grateful to all our supporters and partners whose generosity is crucial for our success. Your continued support and encouragement is enabling KAFUCO to continue powering Vihiga County and enhance learning, research and dissemination of knowledge to both the local and global community.

DR. BERNADETTE MUNGAI, PhD.
CHAIRPERSON, KAIMOSI FRIENDS UNIVERSITY COLLEGE COUNCIL



I have the pleasure to present the Annual Report and Financial Statements of Kaimosi Friends University College (KAFUCO) for the year ended June 30, 2018 as per the Universities Act 2012 and the Public Audit Act 2015.

Financial resources and management has been instrumental in delivering on the core mandate. KAFUCO was mainly funded through the Government Capitation of KES 3247.882M consisting of Recurrent of KES 200.739M and Development vote of KES 36.337M and KES 90.805M from A-in-A. It has not been easy, but with co-operation from KAFUCO's fraternity and Council members' guidance, the University College was able to take off. The University College is greatly indebted to the Government for the continued support it has enjoyed hitherto.

KAFUCO has this FY 2017/18 focused on the areas with the greatest impact on the University College. **Our priorities and key achievements** have been:

- i) Attracting, training and retaining high caliber academic and professionals
- ii) Delivering strategic infrastructure projects. Our next major capital development, represents the completion of Construction of Tuition Block & Associated works that will enable students, scholars and the general public to engage more effectively at every level to support our growing all year-round learning needs.
- iii) Transforming our national and international position. We have endeavored to set up the research directorate to develop and support talent at all levels and stages of the research career, targeting an increase in number and quality of our external grant applications and our standing in national and international research rankings.
- iv) In Fostering innovation we launched ERP system and online platform and launched free access to e-books.
- v) In support of our priorities we have also formed the Alumni to facilitate conversations. The office of career placement and alumni to be launched in the first quarter ending September to assist students' career placement after graduation.

- vi) Despite the significant uncertainties caused by the challenging external fiscal and political environment in Kenyan universities, we have remained focused and ensured that our students remain on campus throughout the year. As a result we have seen the preparation of graduation of our first complete cohort of undergraduates due for graduation in October, 2018.
- vii) The University College has peacefully co-existed with Kaimosi Teachers Training College (KTTC) since 2014 despite the strain on the available infrastructure.

Funding was the biggest challenge as it affected all the other areas of research, teaching and learning, highlighted as follows;

- i) **Teaching Facilities;** the University College inherited physical facilities from KTTC that need to be upgraded to University status. This infrastructure required colossal amount of money for renovation.
- ii) **Teaching Staff;** CUE inspection Report of February, 2018 among other recommendations, recommended that the University College hires program leaders at the level of Senior Lecturers who are PhD holders. We were not able to hire them as the amount of money disbursed for FY2017/2018 was not sufficient.
- iii) **Ultra-Modern Library;** The University College is in need of an ultra-modern library for teaching and research as the space used for library is not sufficient for the growing number of students and staff. Its development was prioritized awaiting funds. The library will not just serve the University but also the community around.
- iv) **Cyber Grid Infrastructure;** A modern University requires the services of fast Internet connectivity. Fibre Optic connection is required to enhance internet connectivity.
- v) **Administration Block;** As per CUE requirements all staff should have adequate and conducive office space which is not available at the moment. A fully functional modern administration block will require approximately KES. 500 Million.
- vi) **Security, Fencing and Lighting;** the borders of University college are porous. To ensure security, there is need to construct a perimeter fence. In addition, the University College appreciates the Government's effort in improving security of her citizens through provision of street lights in major towns, cities and educational institutions.

vii) **Accommodation;** In line with big four agenda then University College intended to accommodate its students, especially female students within the institution. Currently, most of the students are forced to seek accommodation elsewhere thus exposing them to numerous inconveniences. They also lose on benefits of living on Campus including doing research in the library, security and an environment that fosters the educational and inter-personal growth of students. Development of hostels of about 2,000 students will alleviate the problem.

viii) **Road;** the road leading to the University College is gravel and impassable during rainy seasons. Construction of the road is required so that it can enhance access to more than ten (10) institutions in the Kaimosi Complex.

KAFUCO acknowledges that it is imperative to establish appropriate, reliable, diversified and sustainable mechanisms for financing the University College's operations. Some resourcefulness are thus necessary to activate new sources and forms of finance.

KAFUCO intends to find new sources of finance, exercise more intensive use of existing facilities and more prudent management. The University has established an Income Generating Unit and developed a Fee Policy for student tuition fees in order to expand its financial resource base and generate increased levels of appropriation in Aid (A-I-A).

It shall actively continue to engage in building international research partnerships and networks markedly National Research Funding (NRF) programmes. It intends to develop an even stronger focus on the short, medium and long term impact of our research when planning our activities and collaborations and when evaluating our performance. Students' enrolment and focus on Big 4 agenda remain a priority.

On behalf of KAFUCO I wish to take this opportunity to express thanks to the Government and all our development partners who have continued to support the University College in its endeavor to grow. I also wish to thank the Council members, for providing a conducive environment to perform, Management and Staff for their dedication and participation over the past two years in striving to focus on KAFUCO's mission to achieve its objectives.

PROF. OGODO, M.J. NANDI
THE PRINCIPAL

CORPORATE GOVERNANCE STATEMENT

1. Ownership

KAFUCO is a body corporate Gazetted on 22nd May 2015 as a constituent college of Masinde Muliro University of Science and Technology under the Gazette Legal Notice No. 87 Kenya Gazette supplement No 65. The University College is whole owned by Government of Kenya.

2. Responsibility of the University Council

The University College Council is responsible and accountable to the Government of Kenya through the State Department of University Education and Research for ensuring that the University complies with the Universities Act 2012, the University Statutes (2013) and adheres to the highest standards of corporate governance as prescribed in the State Corporations Act and the code of Governance for state corporation (Mwongozo).

3. Remuneration of the University Council members.

The University Council members other than the Principal and the ex-official members do not receive a salary. They are however paid a sitting allowance for every meeting attended. The sitting allowance paid to the council members is disclosed in note 6 of the financial statements.

4. Conflict Of Interest

The Council has complied with Mwongozo provisions paragraph 1.3 that expects each Council member to act honestly at all times and not to place themselves in a situation where their personal interest conflict with those of the organization. In addition, in compliance with paragraph 1.16, Council members discloses all real or perceived conflict of interest registered in a register maintained and updated accordingly.

However, the Council is yet to develop a policy on Conflict of Interest as envisaged by paragraphs 2.6 and 4.3. The Policy is among those scheduled for development to provide a framework to manage these conflicts.

5. Risk Management

The identification and management of risk is a continuous process linked to the achievement of the University's objectives. The Council is responsible for risk management and has an approved policy and procedure document for risk management. The University College conducts risk assessment on regular basis which informs the internal audit plan. The University College has a risk management committee which oversee the risk management. The University College has an Internal Audit department to carry out risk based internal audit on a quarterly basis. The University Council through its Audit and Compliance Committee received regular reports during the year on internal control and risk.

Moreover, the University College management conduct legal compliance reviews which are reported to the council. The University College has an in-house legal officer to advice on legal issues.

6. Statement of Compliance

The Council Members confirm that Kaimosi Friends University College has throughout the Financial Year 2017/18 complied with the entire statutory and regulatory requirement and has been managed in accordance with the principal of Corporate Governance

7. Committee of the University Council

In order to facilitate the smooth running of its affairs, the University Council establishes such committees with the membership and with such terms of reference as it may deem fit. The following committees were in place during the year 2017/18.

- a. Finance & Resource Mobilization Committee
- b. Audit, Governance, Risk Management & Compliance Committee
- c. Human Resources Policy Committee
- d. Academic, Strategy, Planning And Development Committee

The University Council nominates the Chairperson of each committee of the Council provided that in the absence of the Chairperson of any committee, the members present and constituting a quorum may elect one person from among them to chair the meeting. The Chairperson of the University Council and the Principal are ex-officio members of every committee of the Council.

Finance & Resource Mobilization Committee

The committee provide oversight and advice on matters relating to the University College financial position, annual estimates, resource mobilization and investments and pay due regard to the necessity to refer matters of major importance to the Council for final approval.

Audit, Governance, Risk Management & Compliance Committee

The Committee oversee and advise on matters relating to the safety of assets; operations of adequate systems; control processes, preparation of accurate financial reports in compliance with legal and statutory requirements and standards; internal and external audits; risk management strategies; institutional governance; monitoring of performance contract; and quality assurance.

Human Resource Committee

The Committee oversees the formulation and subsequent monitoring/review of policies and strategies on employment of all University staff, including policies on recruitment and selection, staff development and training, performance management schemes and salaries, administrative practices and other conditions of service.

Academic, Strategy, Planning and Development Committee

The Committee advise and oversees the strategic development and implementation of academic and research programmes; physical facilities and infrastructures plan; quality assurance for excellence in teaching, research and innovation and protection of intellectual assets

FINANCE AND RESOURCE MOBILIZATION COMMITTEE

- | | |
|------------------------------|------------------------------------|
| i. CPA. Joseph Z.M Abuta | Chairman |
| ii. Dr. Ellie Osir | Member |
| iii. Mr. Isaac Thuita Gitahi | Representing Ministry of Education |
| iv. Ms. Jane Wambugu | Representing the Treasury |
| v. Principal | Secretary |

ACADEMIC, STRATEGY, PLANNING AND DEVELOPMENT COMMITTEE

- | | |
|-----------------------------|------------------------------------|
| i. Dr. Ellie Osir | Chairman |
| ii. Mr. Joseph Z.M Abuta | Member |
| iii. Dr. Josephine D. Waudu | Member |
| iv. Mr. Isaac Thuita Gitahi | Representing Ministry of Education |
| v. Ms. Jane Wambugu | Representing the Treasury |
| vi. Principal | Secretary |

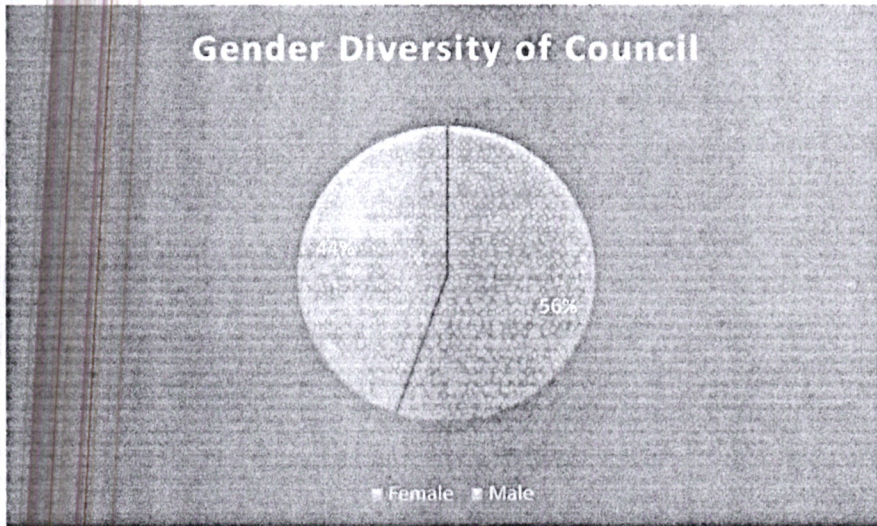
HUMAN RESOURCE COMMITTEE

- | | |
|--------------------------------|------------------------------------|
| i. Ms. Jacqueline. O. Ingutiah | Chairman |
| ii. Ms. Romana Kimende | Member |
| iii. Mr. Isaac Thuita Gitahi | Representing Ministry of Education |
| iv. Ms. Jane Wambugu | Representing the Treasury |
| v. Dr. Josephine D. Waudu | Member |
| vi. Principal | Secretary |

AUDIT, GOVERNANCE, RISK MANAGEMENT & COMPLIANCE COMMITTEE

- | | |
|---------------------------------|------------------------------------|
| i. Ms. Romana Kimende | Chairperson |
| ii. Ms. Jacqueline. O. Ingutiah | Member |
| iii. Mr. Isaac Thuita Gitahi | Representing Ministry of Education |
| iv. Ms. Jane Wambugu | Representing the Treasury |
| v. Assistant Internal Auditor | Secretary |

8. Gender Diversity of the Council



9. University Council meetings

During the FY 2017/18 Council developed and implemented a work plan (Council Almanac). Council and its committees held a total of thirty two meetings (both ordinary and special meetings). Quarterly meetings are normally held as per State corporation Act 446, PFM Act 2012 and performance contracting regulations for the purpose of complying with the statutory timeliness stipulated in these laws for submission of reports to Government Agencies. During the Year under review, Council and its Committees held their meetings regularly with the summary of its meeting being as below:

Council Members	Position in Council (Chairperson/CEO/Member	Gender	Date of Appointment DD/MM/YYYY	Expiry of Appointment DD/MM/YYYY	Membership & attendance	University College Council	Finance & Resource Mobilization Committee (FRM)	Human Resource Committee (HR) Academic, strategy, training, Development and Innovation Committee, (ASPD&I)	Audit, Governance, Risk Management and Compliance Committee, (AGRMC)
Dr. Bernadette Mungai	Chairperson, Council	F	07/11/2016	07/11/2020	Membership Attendance	√ 9/9	0	0	0
Prof. Ogodo, M. J. Nandi	Principal / Secretary	M	25/01/2018	25/01/2023	Membership Attendance	√ 8/9	√ 5/6	√ 6/6	√ 5/5
CPA Joseph Z. M. Abuta	Chairman, FRM Committee	M	07/11/2016	07/11/2019	Membership Attendance	√ 8/9	√ 6/6	√ 5/5	
Ms. Jacqueline O. Ingutiah	Chairperson, HR Committee	F	07/11/2016	07/11/2019	Membership Attendance	√ 8/9	√ 6/6	√ 6/6	√ 6/6
Dr. Ellie O. Osir	Chairperson, ASPD&I Committee	M	07/11/2016	07/11/2019	Membership Attendance	√ 5/9	√ 6/6	√ 4/5	√ 6/6
CPA Romana Kimende	Chairperson, AGRMC Committee	F	07/11/2016	07/11/2019	Membership Attendance	√ 9/9	√ 6/6	√ 6/6	√ 6/6
Dr. Josephine D. Waudo	Member	F	07/11/2016	07/11/2019	Attendance	√ 9/9	√ 6/6	√ 5/5	√ 6/6
Ms. Jane W. Wambugu	Representative, CS, National Treasury	F	10/5/2017	10/5/2020	Membership Attendance	√ 7/9	√ 4/6	√ 3/6	√ 1/5
Mr. Isaac G. Thuita	Representative, PS, State Department for University Education & Research	M	29/11/2016	29/11/2019	Membership Attendance	√ 6/9	√ 4/6	√ 5/6	√ 4/5

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE REVIEW

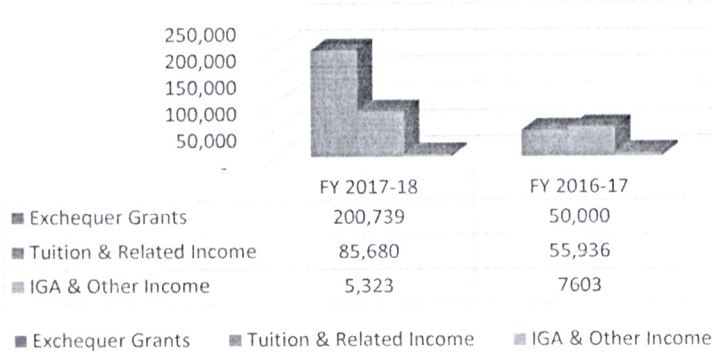
We have the pleasure to present the Annual Report and Financial Statements of KAFUCO for the year ended June 30, 2018 as per the Universities Act 2012 and the Public Audit Act 2015.

The main source of funding to the university college during the Financial Year 2017/18 was the Exchequer with a contribution of a total of **KES 200.739 million** for recurrent expenditure purposes as compared to **KES 50 million** previous year and Development vote of **KES 36.338 million** compared to **KES 200 million** previous year. Internally generated revenue at **KES 91.003 million** during the year consisting of Tuition Fee and related Income **KES 85.680 million**, Income generating activities and other Income **KES 5.323 million**. In general, the University College recorded an aggregate income of **KES 328.079** during the year, with the recurrent vote stood at **KES 291.741 million**. In General the University College recorded a decline in financial performance with a surplus of **KES 16,868 million** as compared with surplus of **Ksh 19.902 million** for the previous year. The University College is in initial phase of commencing Income generating activities that are aimed to smoothen the seasonal income trend and to expand its financial resource base and generate increased levels of appropriation in Aid (A-I-A).

INCOME

Particulars	FY 2017/18	FY 2016/17
	KES '000'	KES '000'
Exchequer Grants	200,739	50,000
Tuition & Related Income	85,680	55,936
IGA & Other Income	5,323	7,603
TOTAL	291,742	113,539

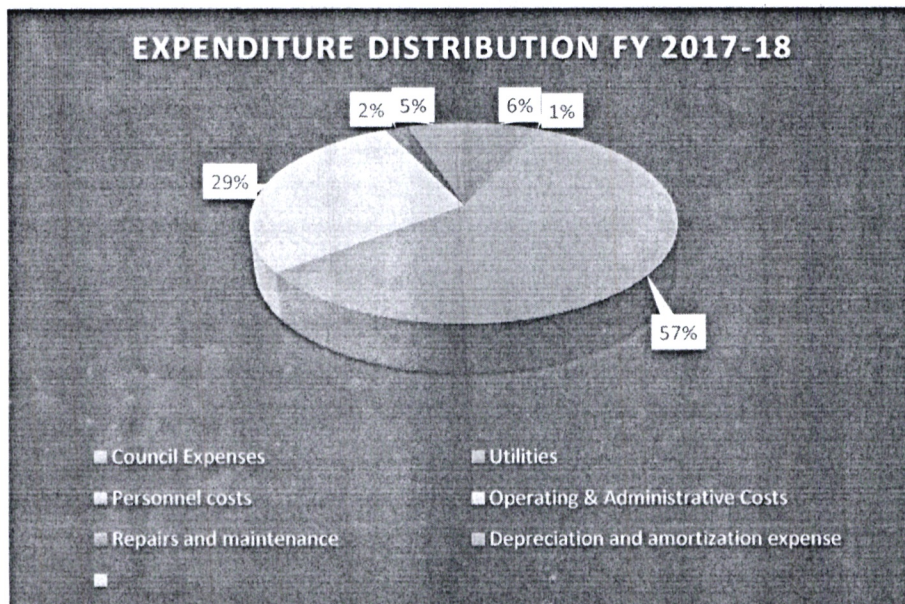
INCOME DISTRIBUTION

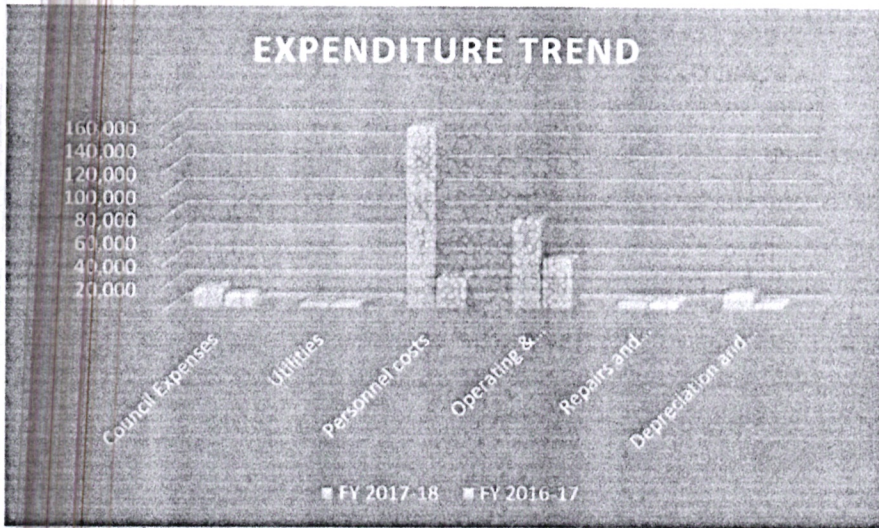


EXPENDITURE

Personnel emoluments continued to comprise the largest part of the expenditure during the year at 57% of total expenditure while all other expenses constituted the balance of 43%. The table below shows the expenditure trends. Overall total expenditure has rising steadily during the year.

Particulars	FY 2017/18	FY 2016/17
	KES'000'	KES'000'
Council Expenses	17,264	11,014
Utilities	3,114	2,449
Personnel costs	157,042	27,444
Operating & Administrative Costs	77,902	42,846
Repairs and maintenance	5,802	5,711
Depreciation and amortization expense	13,750	4,173
TOTAL	274,874	93,637





To excel in learning and teaching, the University College has focused most expenses on enhancing teaching in a progressive manner

TOTAL INCOME VERSUS TOTAL EXPENDITURE

The relationship between income and expenditure is as shown in the below table. There has been seasonal trend in the performance of the institution in the last four quarter.

Income/Expenditure Trend In KES "000"		
Particulars	FY 2017-18	FY 2016-17
Total Revenue	291,742	113,539
Total Expenditure	274,874	93,637.00
Net Surplus/Deficit	16,868	19,902

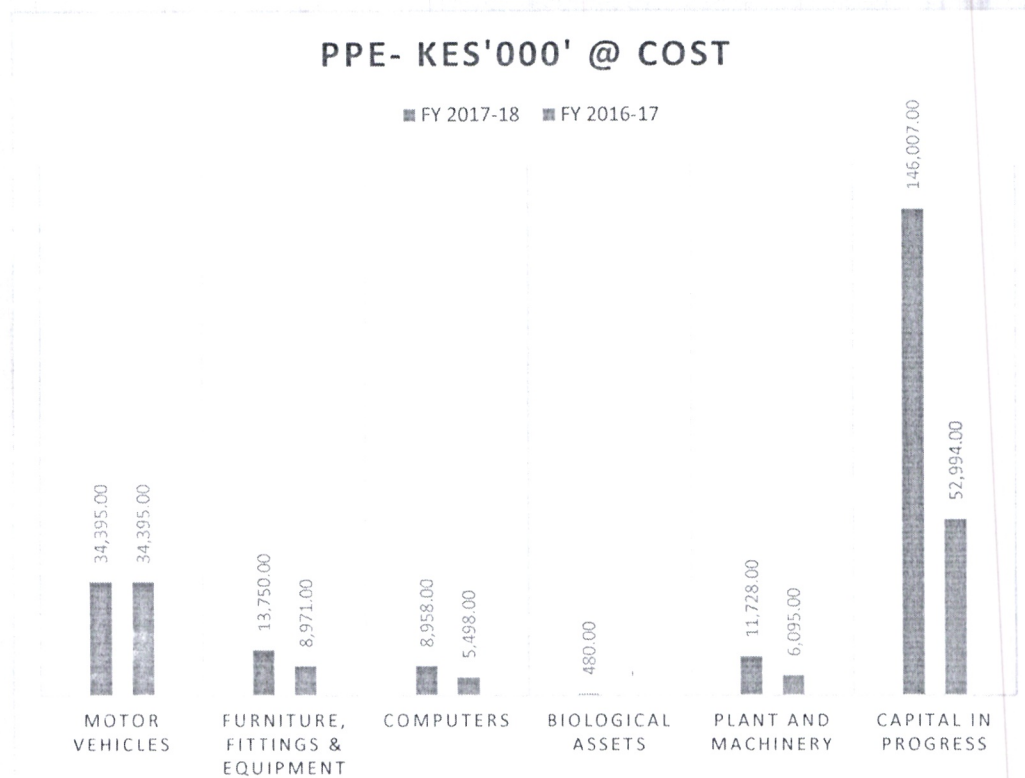
WORKING CAPITAL

The University has had a healthy Working capital position with positive net current assets position over the quarters as shown below:

Particulars	FY 2017-18	FY 2016-17
	KES '000'	KES '000'
Total Current Assets	135,055	165,587
Total Current Liabilities	49,393	40,966
<u>Net Working Capital</u>	<u>83,662</u>	<u>124,621</u>

Property, Plant & Equipment

The University's Property Plant and Equipment has also grown during the year as shown in the table below.



COMPLIANCE WITH STATUTORY REQUIREMENTS.

The University College complies with statutory requirements as follows:

1. PAYE

Income Tax Act, 1973, Laws of Kenya, places on employers an obligation to deduct and remit monthly income tax for all employees and be remitted to the pay master general on or before 9th day of the following month. The University has complied with the deadline for remission.

2. NSSF

The NSSF Act, 2013, Laws of Kenya, requires employers to deduct and remit NSSF deductions on monthly basis and remit the same on or before 9th of the following month. The University has been remitting the deductions to NSSF on time.

3. NHIF

NHIF Act, 1998, Laws of Kenya, requires the employer to deduct the NHIF dues and remit the same on or before the 9th of the following month. The University has complied with the NHIF Act.

4. HELB

HELB Act, 1995, Laws of Kenya, requires employers to deduct from the wages or remuneration of the loanee (s) the amount of any loan as instructed by the Board and submit within 15 days after the end of each month. The University College has effected HELB loans as required and submitted the same within the stipulated fifteen days after the end of each month.

The University College is cognizant of the fact that compliance is a continuous process and has consistently taken measures to ensure the company maintains the required threshold of compliance to best corporate Governance principles.

MAJOR RISKS FACING THE ENTITY

The University's principal financial assets are, trade receivables and cash and short term deposits which arise directly from its operations. The University has financial liabilities comprising trade and other payables.

The University has exposure to the following risks:

- i) Market risks
- ii) Liquidity risk
- iii) Credit risks

The College Council has overall responsibility for the establishment and oversight of the University's risk management framework.

The University College's risk management policies has been established to identify and analyze the risks faced by the University College, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and

systems will be reviewed regularly to reflect changes in economic conditions and the University College's activities.

i) Market risk

a. Low Student Enrolment

The University College is more likely to experience low student enrolment due to competition which may result in the reduction of revenue.

ii) Liquidity risk

Liquidity risk is the risk that the University College will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation. Typically the University ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence. All capital investments are funded by the Government. However, Low funding levels by the government may result to liquidity issues and slow development in infrastructure which can lead to congestion & inadequate facilities.

iii) Credit risk

Credit risk is the risk of financial loss to the University if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The University receives fees from students which minimizes the credit risk exposure.

Classification of credit risk bearing assets

The table below represents University's maximum exposure to credit risk as at 30 June 2018.

ASSETS	FY 2017/18
Current Assets	KES "000"
Cash and Cash Equivalentents	99,164
Receivables from Exchange Transactions	26,197

All the University's receivables are fully performing and are expected to be received. Cash and cash equivalents include cash in hand and deposits held with banks.

MATERIAL ARREARS IN STATUTORY/FINANCIAL OBLIGATIONS

Currently the University College has no material arrears in pending bills, tax default, outstanding staff and pension obligations on the pension scheme as it meets all its statutory obligations as they fall due.

There is no major financial impropriety reported by internal audit/ Audit, Governance, Risk Management & Compliance Committee of the College Council and external auditors. Consequently, the University College has responsive governance structures and practice in the Council and top management.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

In line with fulfilling its mandate, 'service to society' University College through its Corporate Social Responsibility (CSR) Programme take in to account its economic, social and environmental impact in the way it runs its operation as a business, in which students and staff members give their time and expertise. The operational and ultimate responsibility for the commitment to our Corporate Social Responsibility programme lies with the Council and the top management. Every employee of University College is expected to give full co-operation to the CSR programme in their activities at work.

During the year 2017/18, the University College took part in various CSR activities as listed below:

World Forest Day

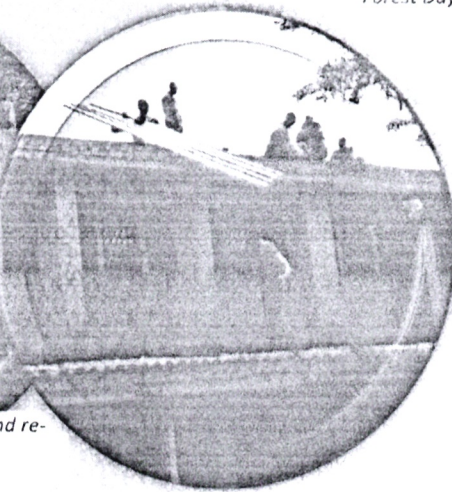
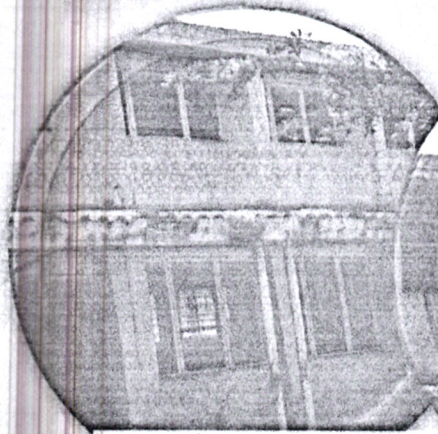
On the 21st of March 2018, Kaimosi Friends University College joined the world in celebrating World Forest Day. Over 1000 tree seedlings were planted to increase the forest cover and conserve the biodiversity of Kaimosi forest. Kafuco is rated as the only university in East Africa located in the tropical forest in Western Region, therefore conservation of the forest is one of its major objectives. On this day, staff and student fraternity engaged in the tree planting exercise.



Deputy Principal F&D Prof. Amadale leads members of staff in Tree Planting Exercise



KAFUCO Staff and students participate in International Forest Day Tree planting exercise



Removal of hazardous Asbestos and re-roofing of existing building

World Environment Day

To mark the World Environment Day, on the 5th June 2018, a group of students dubbed Maestro Group participated in a clean-up exercise in the college. This was a good initiative and we anticipate to engage staff in the exercise come next year. Also we hope to extend the campaign to the community and emphasis the need to keep the environment clean.



MAESTRO Group prepares for voluntary environmental cleaning

WORLD MALARIA DAY

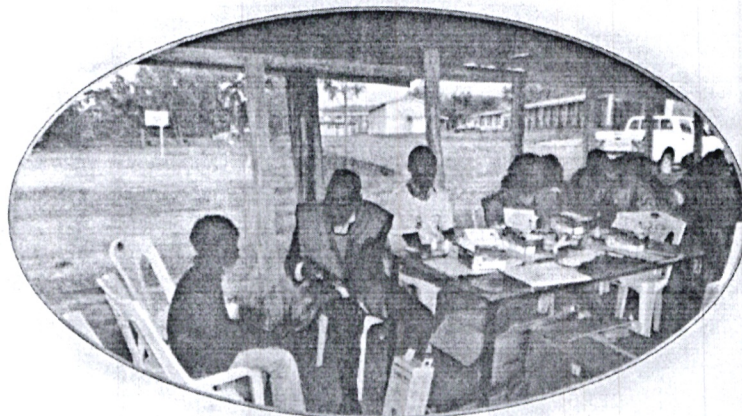
This is an annual event celebrated across the globe on 25th April, KAFUCO Members of the Medical Advisory Committee (MAC) organized for the world malaria day on 25th April, 2018, in collaboration with the malaria control coordinator, Vihiga County, the Hamisi sub-county officer and Jumuia Hospital. The theme of the year (2018) was “Ready to beat malaria”. The Kafuco fraternity converged at University college grounds where the community was sensitized on the need to cure and prevent malaria infection. The community was also offered free malaria testing and treatment.

a) Population screened for presence of malaria parasites by Rapid Diagnostic Test (RDTs)

A total of 87 people turned up for the malaria test. These include 43 males (49%) and 44 females 51%)



Members of the local community undergo malaria prevention training



Malaria Testing held by KAFUCO on World Malaria Day

Number of people tested for presence of malaria parasites based on age groups
 Most of the population consisted of the youths aged 18-28 years of age, while the least turn up comprised of the old people aged 62 years and beyond. One unknown person to us did not indicate her age.

Table 1 Number of people tested for presence of malaria parasites based on age groups

AGE GROUP (years)	NUMBER OF PEOPLE TESTED
A Less than 18	8
B (18-28)	33
C (29-39)	22
D (40-50)	15
E (51-61)	6
F (62-72)	1
G (73-83)	1
H (84-94)	0

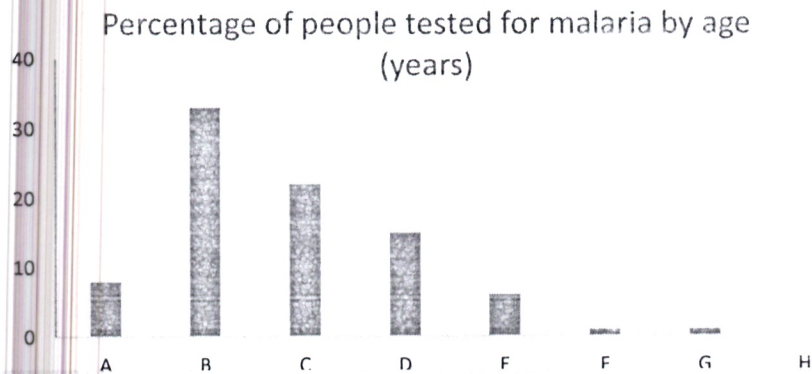


Figure 2 Percentage of people tested for presence of malaria parasites. The letters A – H represent age groups (in years) as shown in Table 1.



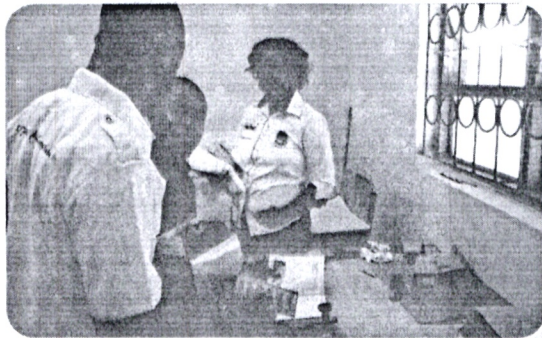
Chairperson, Medical Advisory Board Dr. Busula Annette, Distributes Malaria Test Kits RDTs for Self-Home Testing to KAFUCO Staff

HIV/AIDS Training

On 7th June 2018, the University College, in collaboration with National Aids Control Council and University Aids Control Unit, planned for a one week training on HIV/AIDS management and prevention for both teaching and support staff. The training was a success and it will go a long way in helping to manage and control the spread of the infection for both student and staff.



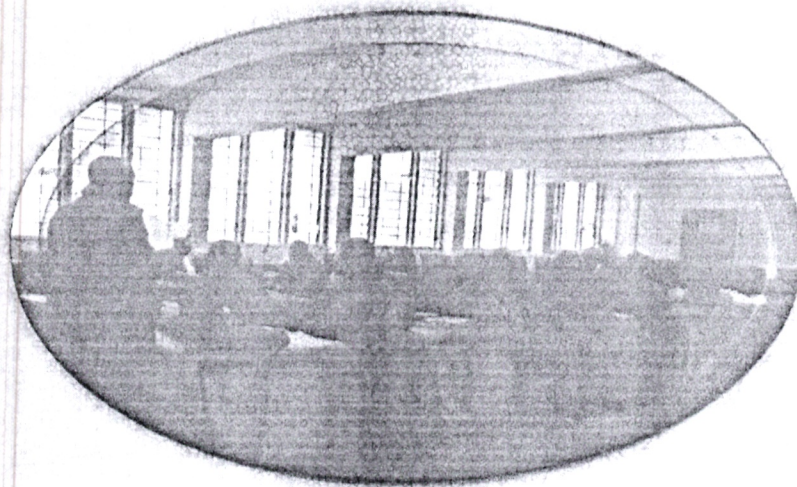
KAFUCO Staff undergo HIV/AIDS Sensitization Training



Condom Distribution to KAFUCO Staff



KAFUCO Staff pose for Photo after HIV/AIDS Training



In-Charge ICT Department Mr. Musau, instructs local Primary Teachers during an ICT orientation Integrated workshop held at KAFUCO

REPORTS OF THE DIRECTORS AND DEANS

ACADEMIC & STUDENT AFFAIRS DIVISION



*Prof. Y.K Ayodo, Deputy
Principal (Academic &
Student Affairs*

Teaching and research is a core function of all academic institutions, and in 2017/18, KAFUCO academic staff members excelled in many aspects. The Academic and Student Affairs division mandate is to ensure quality teaching, learning, innovation and holistic development as outlined in the vision of the University.

During the FY 2017/18 the division organized and engaged in various core activities, through its subdivisions and schools that were geared towards our vision.

The division of Academic and Student Affairs is divided further into two sub divisions:

- Academics
- Student Affairs

Under Academics we have schools and departments headed by Deans and CoDs respectively.

The three major schools are as listed:-

- School of Education and Social Sciences(SESS)
- School of Science(SoS)
- School of Business and Economics(SOBE)

KAFUCO offers courses form Certificate level to Masters level in various disciplines.

On the other hand, Student Affairs is headed by Dean of Students and is responsible for among other things Counseling, Discipline, Hostels/Accommodation, Sports, Catering and General Students Welfare. All these divisions work together to the realization of the institution's vision.

PROGRAMMES OFFERED BY THE INSTITUTION

KAFUCO has thirteen (13) senate approved bachelor programmes, six (6) Diploma courses and four (4) certificate courses. The University College endeavors to develop her new programs that suit the University College philosophy and Academic niche.

BACHELORS PROGRAMS

S/NO	PROGRAM NAME	CODE
1	Bachelor Of Commerce	BCM
2	Bachelor Of Education (Arts)	EDA
3	Bachelor Of Criminology	BCR
4	Bachelor Of Education (Science)	EDS
5	Bachelor Of Social Work	BSW
6	Bachelor Of Economics	BEC
7	Bachelor Of Scienc (Applied Statistics With It)	SST
8	Bachelor Of Science (Agricultural Economics And Resourse Management)	SAR
9	Bachelor Of Science (Information Technology)	SIT
10	Bachelor Of Education (French)	EDF
11	Bachelor Of Science (Mathematics With It)	SMT
12	Bachelor Of Science (Mathematics & Economics With It)	SME
13	Bachelor Of Disaster Management & International Diplomacy	BID
14	Bachelor Of Education (Ecede)	EDH

DIPLOMA PROGRAMS

S/NO	PROGRAM NAME	CODE
1	Diploma In Social Work And Community Development	SWC/D
2	Diploma In Business Management	BMS/D
3	Diploma In Information Technology	ITE/D
4	Diploma In Public Relations And Creative Adverising	PRC/D
5	Diploma In Criminology And Criminal Justice	CCJ/D
6	Diploma In Ethics And Corruption Studies.	ECS/D

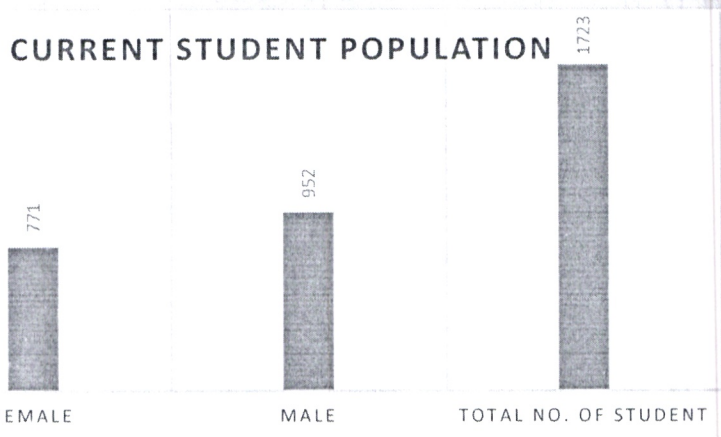
CERTIFICATE PROGRAMS

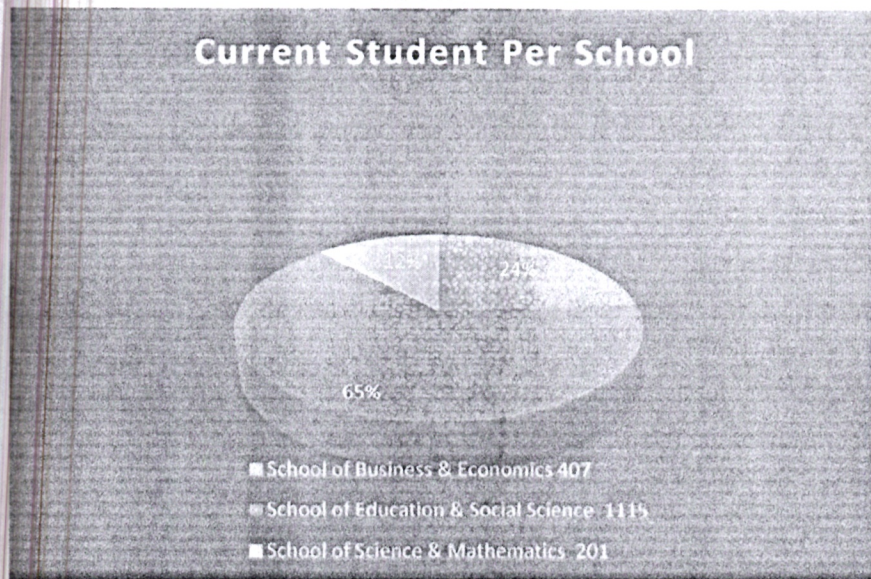
S/NO	PROGRAM NAME	CODE
1	Certificate In Social Work And Community Development	SWC/C
2	Certificate In Business Management	BMS/C
3	Cerificate In Information Technology	ITE/C
4	Certificate In Criminology And Criminal Justice	CCJ/C

UNIVERSITY COLLEGE ACADEMIC DIVISION KEY STATISTICS AT A GLANCE

KAFUCO had the first batch of students from MMUST in 2014/2015 Academic Year, and further seconded in 2015/2016 Academic Year. Since then KAFUCO admitted her very own students in 2016/2017 and 2017/2018 Academic Years. University College currently has students enrolled in Bachelor's, Diploma and Certificate programme

Program Name	2014			2015			2016			2017		
	F	M	Total	F	M	Total	F	M	Total	F	M	Total
1 Bachelor of Commerce	24	31	55	46	75	121	95	187	282	129	221	350
2 Bachelor of Education (Arts)	66	109	175	182	199	381	303	286	587	440	371	811
3 Bachelor of Criminology				9	19	28	16	30	46	22	38	60
4 Bachelor of Education (French)				1	0	1	6	3	9	5	3	8
5 Bachelor of Social Work				5	8	13	6	7	13	7	8	15
6 Bachelor of Education (Science)							40	77	117	56	132	188
7 Bachelor of Economics							11	7	18	34	15	49
8 Bachelor of Science (Applied Statistics with IT)							8	22	30	13	34	47
9 Bachelor of Science (Agricultural Economics & Resource Management							6	10	16	13	14	27
10 Bachelor of Science (Information Technology)							5	17	22	10	34	44
11 Bachelor of Science (Mathematics with IT)							3	19	22	9	36	45
12 Bachelor of Science (Mathematics & Economics with IT)							5	19	24	10	26	36
13 Bachelor of Disaster Management & International Diplomacy							3	4	7	3	6	9
14 Diploma in Business Management									4	1	7	8
15 Diploma in Criminology							1	3	3	7	4	11
16 Diploma in Social Work				2	2	4	2	2	4	8	0	8
17 Diploma in Information Technology				2	0	2						
18 Certificate in Business Management										1	1	2
19 Certificate in Criminology										1	3	4
TOTALS	90	140	230	246	304	550	508	693	1201	771	952	1723





Academic Staff

The University College has the following academic staff:-

Professors	1
Associate Professors	2
Senior Lecturers	2
Lecturers	7
Tutorial Fellows	19
Total Number of Academic Staff	31

Full-time to Part-time lecturers Ratio

School/Faculty	Full-time Lecturers	Part-time Lecturers	Ratio
School of Education & Social Science (SESS)	14	60	1:4
School of Business & Economics (SOBE)	7	24	1:3
School of Sciences (SOS)	10	30	1:3
Total	31	114	1:4

The University College is critically understaffed with full-time to part-time lecturer's ratio standing at a dismal of 1:4 as compared to the ideal case of 1:2 as per commission of university education requirement.

Staff to Student Ratio

School/Faculty	Lecturers	Students	Ratio
School of Education & Social Science (SESS)	74	1114	1:15
School of Business & Economics (SOBE)	31	407	1:14
School of Sciences (SOS)	40	201	1: 5
Total	114	1723	1:15

Achievements

The division has made great strides to acquire educational literature in terms of books and e-learning materials as well as having in place a library and a computer laboratory. Most of our students have smart phones or personal laptops and can access e-books and other on-line academic information. With subsequent improvement in our internet connectivity, we purpose to have high integration of information technology in our academic programmes.

Establishment of the Examination Section of the Registry Division of the Department of Academic and Students' Affairs. The section is tasked with ensuring that the academic programmes offered at KAFUCO are in line with CUE Universities Standards and Guidelines, 2014 and KAFUCO Academic Quality Assurance Policy. Additionally, it is tasked with ensuring that all examinations done in KAFUCO are in line with KAFUCO'S Examinations Policy.

Establishment of e-learning directorate which has development and implementation of e-learning modeled around a web-based learning management system. This is one of the latest innovations by the division to facilitate online delivery of high quality certificate, diploma and degree programmes to learners in various parts of the country, the East African community and beyond. KAFUCO with the use of modern technologies is not only there to realise equitable access to higher education through e-Learning but also improve the quality of educational experience for our learners.

Our approach to teaching and learning is student-centered and there is adequate accessibility to lecturers, chairperson of departments and deans by the students. It is a classic case of student-mentor relationship.

Challenges

The Academic and Student Affairs has had various challenges, just to pick a few challenges among the many:-

1. The main challenge for the University College involves the few allocations of students by the Kenya Universities and Colleges Central Placement Service (KUCCPS). This setback plays against the University College short term objective of increasing student numbers and availability of funds for research and development.
2. Lack of enough teaching and non-teaching staff
3. Lack of enough physical facilities and infrastructure such as learning spaces, laboratories, seminar rooms, office equipment and offices.
4. Lack of a sustainable Student welfare kitty to support the needy students financially.

WAY FORWARD

The division of Academics and Student Affairs has strategized to ensure that it achieves academic excellence through the following:-

- a. Increase Student Enrolment by
 - (i) Marketing the available programs
 - (ii) Establishing Open and Continuing Education Programs
 - (iii) Establishing Study Centers
- b. Offer demand driven academic curricula by:
 - (i) Carrying out curricula needs assessment
 - (ii) Designing, developing and implementing curricula
- c. Integrating ICT in Teaching and Learning through acquiring ICT equipment that to strengthen E- learning
- d. Institutionalize effective Research Development and innovation thorough funding to increase the number of research programmes and innovations.

Conclusion.

The Deputy Principal's Academics and student Affairs in aggregation with other affiliated divisions of the institution, is committed to ensure that the University College achieves its strategic goals and objectives as stipulated in the Strategic Plan and other policies that govern the institution to rank the institution both nationally and internationally.

SCHOOL OF EDUCATION AND SOCIAL SCIENCE



Dr. Eric Okwako, Dean SESS

Introduction

Kaimosi Friends University College was established in May 2014. The pioneer students were in two schools namely: School of Education and Social Sciences (SESS) and School of Business and Economics (SOBE)

School of Education and Social Sciences (SESS) started with only one programme: Bachelor of Education (B.ED) Arts

1. Academic Programmes

(a) Current Programmes

SESS currently offers the following programmes:

Degree Programmes

- (i) Bachelor of Education (B.ED) Arts
- (ii) Bachelor of Social Work
- (iii) Bachelor of Criminology
- (iv) Bachelor of Education(French)
- (v) Bachelor of Disaster Management and International Diplomacy

Diploma Programmes

- (i) Diploma in Criminology
- (ii) Diploma in Social Work

Certificate Programmes

- (i) Certificate in Criminology

b). New Programmes to be offered

Also the following programmes after being approved by Senate may be offered in the academic year 2018/2019.

- (i) Master of Education(M.ED) in English Language
- (ii) Master of Education(M.ED) in Curriculum Studies
- (iii) Master of Arts (M.A.) in Literature
- (iv) Doctor of Philosophy in Literature
- (v) Master of Arts(M.A.) in Religion
- (vi) Doctor of Philosophy in Religion
- (vii) Doctor of Philosophy in Curriculum Studies
- (viii) Diploma in print Media
- (ix) Diploma in Public Relations

2. Departments

The School of Education and Social Sciences (SESS) has four departments under which the above programmes are offered namely:-

- (i) Department of Languages and Literature
- (ii) Department of Social Sciences
- (iii) Department of Curriculum Studies
- (iv) Department of Psychology, Foundations and Management

3. Achievements

The School of Education and Social Sciences (SESS) made the following achievements in 2017/2018 academic year

(a) Received students admitted by Kenya Universities, Colleges Central Placement Service(KUCCPS) in the following programs:-

- (i) Bachelor of Education (Arts)
- (ii) Bachelor of Education(Science)
- (iii) Bachelor of Criminology
- (iv) Bachelor of Social Work
- (v) Bachelor of Education (French)

(b) Admitted privately sponsored students in the following programs:-

- (i) Bachelor of Education (Arts)
- (ii) Bachelor of Education(Science)
- (iii) Bachelor of Criminology
- (iv) Diploma of Social Work
- (v) Diploma in Criminology
- (vi) Certificate in Criminology

(c) New Academic Staff

During the financial year 2017/2018, SESS received the following new academic staff:-

- (i) Dr. Remmy Shiundu (literature)
- (ii) Dr. Peter Nyongesa(Religion)
- (iii) Dr. Tom Mong'are(Religion)
- (iv) Ms. Linda Mang'eni (English)
- (v) Ms. Mary Malenya(Kiswahili)
- (vi) Mr Nixon Sangili (Kiswahili)
- (vii) Mr. John Aseta (Geography)
- (viii) Mr. Walter Ko'Odipo (History)
- (ix) Mr. Samwel Irungu(Social Work/Criminology)

4. The Way forward

The School of Education and Social Sciences is looking forward to the following changes to be made for effective running:

- (i) Employment of additional academic staff in all subject areas(at least one in each subject area)
- (ii) Employment of Senior Lecturers in all subject areas so that they are appointed programme lectures to meet the CUE requirements on programme leaders
- (iii) Allocation of adequate office space
- (iv) Provision of equipment and materials to enable efficient operations.

SCHOOL OF BUSINESS AND ECONOMICS



*Mr. D. Okaka,
Ag. Dean SOBE*

1.0 Introduction

The Kaimosi University College School of Business and Economics is committed to fulfilling its vision of becoming recognized as the leading Business school connecting the region and the world. The school's operational and infrastructural transformation will have far reaching implications on the future of the university and its stakeholders. Its perpetual effort provides the evidence of collective progress for the university. The school's significant enrollment is a testament of its ability to deliver on its promises with the active support and coordination of all of the university's stakeholders. The recognition of the school's ceaseless efforts to provide excellence in Economics and Business education has enabled the school to become a hub for research, innovation and entrepreneurship. The school intends to build a network with regional and international researchers to promote multidisciplinary, high impact and globalized research.

1.1 Academic Programmes

With a total of 407 students in our academic programmes, the start of the 2017/2018 academic year was a resounding success for the School. The School of Business—one of the largest in the university—strives to develop exceptional individuals to lead organizations and shape business operations. The school focuses on delivering industry desired skills and knowledge-based education through experiential learning practices. Our strong relationships with industry and collaboration across all stakeholder groups, allows us to deliver an innovative mix of programs. The school offers two major academic programs namely: Bachelor of commerce (Accounting, Finance, Procurement and Supply Chain Management, and Operations and Systems Management Options) and Bachelor of Economics.

1.2 Achievements

The Kaimosi university college, School of Business and Economics success lies in the quality of its teaching staff – both faculty members and external lecturers – as well as our students. During the academic year 2017/18, the school adopted a new strategic plan of result based performance that acts as a guideline and tool for achieving the university core objective. This has seen the school supporting the university's income generation and investment advisory services.

1.3 Way forward

Repositioning and rebranding the school of business has taken off. The school is in the process of partnering with other institutions. Of particular note is the schools proposed partnership with TVETA, KASNEB and KNEC that is underway. The school has also been tasked to carry out an aggressive marketing strategy that targets to increase enrolment in the school and the entire university. The significant delegation to the school illustrates the impressive confidence that the university has in the School's ability to brand and market the university. The school is also planning to offer relevant graduate courses in relevant fields of Business and Economics. The proposed programmes are masters in business administration, Masters of Science in Procurement and contract, Masters of Science in Operations and Logistics, Masters of Science in Accounting, Masters of Arts in economics, Masters of Science in Human Resource Management and Masters of Health Systems Management.

SCHOOL OF SCIENCE AND MATHEMATICS

The School of Science adheres to foundations laid down in the Strategic Plan for Kaimosi Friends University College (KAFUCO). This all-inclusive document guides the transformation and development of the School of Science into a centre of excellence in teaching, training, research and innovations over the period from 2017-2022.

ACADEMIC PROGRAMS

The School of Science currently is rolling out the following degrees, diploma and certificate programs to our highly motivated students.

- i) Bachelor of Science in Mathematics with Information Technology
- ii) Bachelor of Science (Information Technology)
- iii) Bachelor of Science (Mathematics & Economics with Information Technology)
- iv) Bachelor of Science (Applied Statistics with Information Technology)
- v) Bachelor of Science (Agricultural Economics & Resource Management)
- vi) Bachelor of Disaster Management & International Diplomacy
- vii) Diploma in Information Technology
- viii) Certificate in Information Technology

ACHIEVEMENTS

The school enjoyed huge success in teaching and learning in the 2017/18 academic year with minimal interruption whatsoever.

One of the School's major development was the creation of new Departments of Biological & Agricultural Sciences, Information technology, Mathematics & Statistics and Physical Sciences, which became official in September 2017. The new departments are working on re-branding of their teaching, training and research initiatives within KAFUCO. The departments are also developing new undergraduate, graduate programs, and research areas of interest cutting across multidisciplinary themes.

The School of Science successfully applied for donation of laboratory equipment with current market value in the USA of **\$14, 394** from The Reagent Project, Inc USA. The donated equipment is currently in transit. This donation was published in the April 2018 issue of the, The Reagent Project and is accessible at

<https://www.thereagentproject.org/thereagentreport/april2018>

Our faculty member Mr. Victor Shikuku in the Department of Physical Sciences had a successful exchange program in India for three months following the award of the prestigious C.V Raman International Fellowship for African Researchers. He gained vital teaching, training and cutting-edge research opportunities in areas spanning around materials chemistry and chemical instrumentation.

Our second-year students pursuing Bachelor of Science (Information Technology) from the Department of Information Technology underwent through a rigorous Industrial Training Program. The training was conducted within the campus and lasted for about two months from 7th May to 8th July 2018. The training was composed of four modules namely Database Management Systems, System Administration, Helpdesk Services Repair & Maintenance and Network Technologies & Administration.

The epitome of the training was characterized by industrial trip to Nairobi from 9th -12th July, 2018. Our highly motivated students first visited Centurion Systems to study Computing & Electronic Systems. Secondly, they visited Computers for Schools Kenya (CFSK) where they studied E-waste Management, computer repair and refurbishing. Finally, they graced Telkom Kenya to have better understanding on research on telecommunications infrastructure. The industrial training program was a huge success with great impact on teaching, training and research which are our core business as University College.

WAYFORWARD

The School of Science is looking forward to a highly productive and successful 2018/2019 academic year characterized by:

1. Productive teaching, training, innovative research and outreach programs initiated by the school.
2. Transformation and renovation of existing class rooms into well-equipped laboratories for Physics, Biology, Chemistry, Agriculture, Mathematics and Information Technology.
3. Recruitment and staffing of various cadres of lecturers and technicians to supplement the existing personnel.
4. Improved learning, teaching and research infrastructure.

The School of Education and Social Sciences has qualified and highly experiences academic staff who are either full-time or part-time as follows:-Full-time Lecturers 10 and Part-time Lecturers 30

Dr. F. Saouma

Ag. Dean School of Science

RESEARCH, INNOVATION & OUTREACH

Introduction

Teaching, Research and Innovation is a core function of all academic institutions. The Directorate serves under the Division of Research, Innovation and Outreach as per the University College Organogram outlined in the Strategic Plan.

The Directorate has not been in existence previously as the University College is in its formative stage striving to position itself in its establishment and in the implementation of its strategic plan, Statutes and all the policies in which the organogram is anchored. The Directorate helps the University College in guiding on the path to be followed in realizing the vision and mission of the Kaimosi Friends University College which is excellence in teaching, training, research and innovations over the period of five years: 2017-2022.

The mandate of the Directorate is drawn from Research and Development policy which outlines the following objectives which are to:

- Develop a research, innovation and publication culture in the institution
- Expand research and innovation capacity of the institution across all disciplines
- Enable the commercialization of research and development outputs, for the benefit of the researcher, the university college and the wider community
- Provide framework to support and empower staff to manage, conduct, and disseminate research findings/outputs.
- Enhance the profile of KAFUCO through quality improvement of research and development policy
- Promote research, innovation and development

In the financial year 2017/2018 the Directorate has tremendously recorded several progress, various activities it undertook outlined here below as follows:

Research Activities

Grant Proposal writing Requests to:

- i) National Research Fund (NRF) which was acknowledged and waiting for the Awards:

JAN.—FEB., 2018: Policy Innovations for Transformative Change in Devolved Universal Health Care in Kenya

Principal Investigator: Kaimosi Friends University College

Collaborators: Maseno University; Alupe University College

Total Proposed Budget: Ksh 20,000,000.

JAN.—FEB., 2018: Participatory Action Research On Campus-Based Gendered Violence: The Role of Male Students in Ending The Vice In Masinde Muliro University College Of Science And Technology And Kaimosi Friends University College In Kenya.

Principal Investigator: Dr Dina Were¹ Collaborators: Prof Jack Nandi² & Dr Peter Gutwa³.

Total Proposed Budget: Ksh 820,000

JAN.—FEB., 2018: Training Self-Regulated Learning in a Mathematics Classroom in the Wake of Curriculum Reforms in Kenya: Case of Kakamega County

By Dr.Catherine Aura, Prof Jack Nandi, and Dr. Dinah Were

Total Proposed Budget: Ksh 19,750,400.

JAN.—FEB 2018: Sustainable Human Resource Development and Gender Inclusivity among youth with Disability: A Case of Machakos and Kakamega counties – Kenya

By Stephen Opanga, Dr. Dinah Were and Catherine Mueni Muthengi

ii) MAY—JUNE 2018: Proposal for Acquisition of Applied Sciences and Technology Equipment

Contact Person: Prof. Ogodo, M. J. Nandi, Principal KAFUCO

Seminars, Workshops and Conferences

MAY 29 — MAY 31; JUN 17-19: National Research Funds proposal writing training in Kisumu attended by Prof. Jack Nandi, Dr. Shiundu, Dr. Felix Saouma, Dr. Annette Busula, Mr. Benjamin Kiprono and Mr. Apima

Meru Training Workshop: attended by Dr. Remmy Shiundu and Dr. Annette Busula

Egerton Training Workshop: attended by Dr. Remmy Shiundu...

Embu Training Workshop: Theme: Decolonizing Education. Attended by Dr. Remmy Shiundu and Dr. Eric Okwako

Blue-Economy conference in Naivasha: attended by Prof. Kennedy Ayodo DP (ASA)

Joost Researchers Seminar held in KAFUCO to teaching staff on 11th and 12th July 2018 on Research Proposal Writing and Curriculum development which came up with three proposals for research grant which are in progress.

Seminar on Harvesting Knowledge economy by Dr. Khayesi to teaching staff on 18th July, 2018 which gave birth to the need to develop research on systematic methodology training

Kirinyaga University 2nd annual Conference whose theme is “Addressing Global Challenges through Natural and Social Science Research. To be attended by Dr. Remmy Shiundu in representing KAFUCO on a paper entitled “Teaching Gendered Identity Construction through Children’s Literature in Kenya: A review of Ezekiel Alembo’s Works”

Visits by Researchers

18TH AUGUST, 2018: Prof. Bunde: Visited the University College on Linkages and partnerships

24TH AUGUST, 2018: Prof. Mamwamba; Visited the University College on Linkages, Partnerships and Environmental conservations

18TH JULY, 2018: Dr. Khayesi: Visited the University College and presented a seminar paper on harvesting Knowledge economy and interested in Transport Geography research proposals

18TH APRIL, 2018: UNESCO team visited the University College and tasked Dr. Remmy Shiundu to do a proposal on Culture and draw a MoU which in progress.

Internal Research Grant Awards

The Directorate has developed the criteria for Internal Research Grant Award.

The University College Research Committee, UCRC, awarded Dr. Tony Okwach a total of KES.400, 000/= for funding his project on the title “Devolving ECDE Curriculum in selected Counties in Kenya”

Staff Publications

A number of staff of KAFUCO published several papers and projects as follows:

Scholarly Publications

Prof. Ogodo, M.J. Nandi

Mary Ogonji and O. M. J. Nandi. 2016. The plight of orphaned and vulnerable children. Utafiti Foundation. ISBN: 978-9966-26-67-3. 78 pp.

Savala A. and O. M. J. Nandi. 2015. Women and Church Headship. A focus on churches in Kakamega County, Kenya. Utafiti Foundation. ISBN: 9789966-26-851-2.

Pamela Kima and O. M. J. Nandi. 2015. The African Divine Church in Kenya: A synopsis. Utafiti Foundation. ISBN: 978-9966-26-063-5

Beatrice Vugutsa and O. M. J. Nandi. 2015. Integration of Christian and Abatirichi Death rituals. Utafiti Foundation. ISBN: 978-9966-26-061-1.

Margaret Matisi and O. M. J. Nandi. 2016. Theological Articulation of Selected Teachings of Repentance and Holiness Kings Outreach Church. Utafiti Foundation. ISBN: 978-9966-26-064-2. 124 pp.

Kitsiri Serah and O. M. J. Nandi. 2015. Prophecy and Healing in the New Holy Ministry Church in Kenya. Utafiti Foundation. ISBN: 978-9966-26-71-0. 112 pp.

Research Publications

Obwoye, H. and Nandi O.M.J. 2017. Faith based organizations and the theology of poverty and death in Vihiga County, Kenya. *European Journal of Philosophy, Culture and Religious Studies*. 1(1): 1-15.

Nandi O.M.J., Maseno, L., Matisi, M. 2015. Analysis of the Composition and Rituals of the Repentance and Holiness Church in Kenya. *Journal of Alternative Perspectives in the Social Sciences*. 7(2): 238-267

Tom Mong'are Nyagwoka, O. M. J. Nandi, Robinson Monga're Gisemba. 2015. The Influence of God's Law on the National Values in Enhancing Sustainable Development at Borabu Border, Nyamira County. *Journal of Modern Education Review*. 5 (12): 1132-1141

Nandi O.M.J. and Serah Kitsiiri. 2015. Origin, Growth and Development of the New Holy Ministry Church in Kenya. *Int. J. Cur. Tr. Res* (2015) 4 (1):1-8

- Nandi O. M. J. and Pamela Kima. 2015. Historical Background of the African Divine Church in Kenya. *International Journal of Humanities Social Sciences and Education (IJHSSE)*. Volume 2(3): 139-150
- Tom Mong'are Nyagwoka, Joseph K. Njino, J. O. M. Nandi. 2015. Applicability of Seventh-day Adventist Philosophy of Holistic Education in Enhancing Vision 2030 and Beyond, Nyamira County. *Modern Journal of Education Review* Vol 5(1): 870-883.
- Oyugi, M., Nandi, O. M. J., Amudavi, D. and Palapala, V. 2015. Influence of gender on farmers' level of involvement in bambara production activities in Western Kenya. *Asian Journal of Agricultural Extension, Economics and Sociology*. Vol 4(3): 231-246.
- Oyugi Millicent, O. M. J. Nandi, David Amudavi and Valerie Palapala. 2014. Gender influence on farmer's level of involvement in utilization and conservation of Bambara groundnut. *Asian Journal of Agricultural Extension Economics and Sociology*. Vol. 3(6): 740-755.
- Nandi O. M. J. and Otiende Charles. 2014. Africa must give birth. *International Journal of Humanities and Social Sciences*. Vol. 4 (10): 142149
- Rupia A. S., Garashi HM, Nandi, O. M. J and Odera O. 2012. Perceptions of civil servants towards promotion on merit. *American International Journal of contemporary research*. Vol 2(9): 48-54.

Research Papers Under Review/Awaiting Publication

- Kima Pamela, O. M. J. Nandi, Maseno Loreen. Marriage as practised in the African Divine Church.
- Kitsiiri S.M., Maseno L. and Nandi J.O. A Theological Analysis of the New Holy Ministry Church in Kenya.
- Beatrice Vugutsa Lukalo and O. M. J. Nandi. Integration of Christian and Abatirichi death rituals.
- Margaret Nanjala Matisi and O. M. J. Nandi. Theological Articulation of Selected Teachings of Repentance and Holiness Kings Outreach Church.
- O. M. J. Nandi, Loreen Maseno and Margaret Matisi. Prophecy and Healing in the Repentance and Holiness Church in Kenya

Nandi, O. M. J. Ogodo, Palapala, V. A. and Nyandiko O. N. Status of tannia cocoyam cultivation and utilization in Kenya

Valerie Palapala, Ogodo M.J. Nandi, Herbert Talwana, Bernadette K. Ndabikunze and Alfred K. Serem. Morpho-Agronomic Characterization of Lake Victoria Basin taro genotypes.

Ogodo M.J. Nandi, Valerie Palapala, Herbert Talwana, Bernadette K. Ndabikunze and Alfred K. Serem. Gender Analysis in Taro Production Systems of East Africa.

O. M. J. Nandi, V. Palapala, A. Serem, H. Talwana and B. Ndabikunze. Analysis of Cocoyam Origin and Cultural Practises Associated with Cultivation in the Lake Victoria Region.

Akwee Peter, Ondieki Dennis, Shiundu Daniel, O. M. J. Nandi and Valerie Palapala. Growth and Characterization of four Bambara groundnut (*Vigna subterranea*) accessions in Kakamega district, Kenya.

On-going research

Research Activities

Gender, Culture and Religion

Evaluation of Indigenous knowledge and gender roles in the cultivation and consumption of cocoyam and Bambara groundnuts in Western Kenya

Religion and human rights in Kenya: A case study of independent churches.

Capacity building for participatory plant breeding in East Africa

Role of indigenous knowledge and practices in conservation, cultivation and consumption of tannia, a neglected indigenous food crops

ii. Dr. Shiundu

Barasa, R.S. (2017). Effectiveness of digital technology in teaching literature in Kenyan

Universities: A case study of Pwani University. In Meda, L., and Makura, A.H.,(Eds.), *Technology driven curriculum for 21st century higher education students in Africa*. Cameroon: Bamenda. Langaa Research and Publishing ClG, pp.51-78.

Barasa, R.S. (2017). (Re)Imagining Uganda Postcolony in Moses Isegawa's Abyssinian

Chronicles. In *Journal of English Language and Literature*, Vol.8 No.1, pp.565-570.

Barasa, R.S. (2017). Integrating culture in Africa's economic development. In *Journal of English Language and Literature*, Vol.8 No.2, pp.611-616.

Barasa, R.S. (2017). Narrating Gendered Violence, the Absent Mother and (Dis) location in *Secrets No More* by Goretti Kyomuhendo. *The International Journal of Humanities and Social Sciences*, Vol.5, issue 11, November, 2017.

Barasa, R.S. (2017). Construction of Gendered Identities through Cultural Memory in Moses Isegawa's Novel, *Snakepit*. In *Journal of English Language and Literature*, Vol.8 No.3, pp. 259-267. ISSN: 2368-2132

iii. Dr. Dina Were

Social Construction of Teenage Fatherhood: Culture, Vulnerability, Masculinity, and Societal Implications in Western Kenya: by ¹Dr. Cyrillah Luvega²Dr Dina Were³ Ms. Patricia Kariaga ⁴Dr. Oino Peter Gutwa. Genesis of Development Foundation, Kenya

iv. Dr. Tony Okwach

Andiva, Z. K., Simatwa, M. W. and **Okwach T. O.** (2018). Influence of ISO 9001:2008 quality management systems on academic staff service delivery in management of examinations in Kenya: A case study of public universities in *International Journal of Current Research* 10 (5): 69631- 69644.

Anindo, E. G., Simatwa, M. W. and **Okwach T. O.** (2018). Contribution of school administrators to teaching-learning resources in enhancement of students' academic performance in secondary schools in Kenya: An empirical study across secondary schools of Emuhaya and Vihiga Sub-Counties in *International Journal of Current Research* 10(3): 67302-67314.

Anyango, A. G., Indoshi, F. C. and **Okwach, T. O.** (2018). Influence of Sensitization of English Teachers Towards Internal Instructional Supervision on their Teaching Effectiveness in Secondary Schools in Kakamega County, Kenya in *European Journal of Education Studies* 4(9): 265-275.

Anyango, A. G., Indoshi, F. and **Okwach, T. O.** (2018). Influence of Type of Internal Instructional Supervision on Teaching Effectiveness in English in Secondary Schools of Kakamega County, Kenya in *International Journal of Social Science and Humanities Research* 6(2): 777-784.

v. Benjamin Kiprono

Kiprono, B. (2018). Big Data Analytics; Data-driven Decision Making for Enhanced Enterprise Performance. African Journal of Computing and Information Systems (AJCIS), 1(1), 26-33.

Kiprono, B. (2018). Disruptive Information Communication Technologies. International Journal Of Applied Computer Science (IJACS), 1(1), 6-12

Njeru, K., Kiarie, C., Kibaara, D., Mwaniki, E., & Kiprono, B. (2017). Information Systems Driven Approach to Organizational Decision Making. African Journal of Computing And Information Systems (AJCIS), 1(1), 16-25

vi. Victor Shikuku

Shikuku V.O, Winfida N. Nyairo, Chrispin O. Kowenje (2018). Preparation and Application of Biochars for Organic and Microbial Control in Wastewater Treatment Regimes: In Athar Hussein (Editor) Advanced Treatment Techniques for Industrial Wastewater. pp 19-34. IGI Global Publishers. ISBN13: 9781522557548 DOI: 10.4018/978-1-5225-5754-8.ch002 (Chapter 2)

Shikuku V.O, George O. Achieng' (2018). Occurrence and Fate of Selected Heavy Metals in a Conventional Municipal Wastewater Treatment Plant in Kisumu City: A Case Study: In Athar Hussein (Editor) Advanced Treatment Techniques for Industrial Wastewater. pp 211-224. IGI Global Publishers. ISBN13: 9781522557548 DOI: 10.4018/978-1-5225-5754-8.ch012 (Chapter 12)

vii. Dr Felix Saouma

“Structural and spectroscopic properties of the polar antiferromagnet Ni₂MnTeO₆”, M. Retuerto, S. Skiadopouou, F. Borodavka, C. Kadlec, F. Kadlec, J. Prokleska, Z. Deng, J. A. Alonso, M. T. Fernandez-Diaz, **F. O. Saouma**, J. I. Jang, D. Legut, S. Kamba, and M. Greenblatt, Phys. Rev. B, 97, 144418 (2018).

viii. Dr Peter Mamuli Nyongesa

The following articles in *Building a solid and integrated church in the 21st Century*, P.N. Njoka. Nairobi: Evangel, 2017.

With Bernard G. Nyabwari, “History and Spatial – Temporal Development of the ACK Diocese of Nairobi: PP .7-12.

With Jonathan Kabiru , “ Main Challenges Facing Christian in Nairobi ,: PP 110-140

With Bernard G. Nyabwari & Peter N. Njoka , : the church as the Conscious Voice of the Society “.79-119

Historical Overview of the Church in Kenya. *In how Healthy is Your Church: A Survey of church Health in Nairobi*. Peterson Wang’ombe (ed) Nairobi: ACM –FTT, 20017 .pp 11-14.

Inter- faith Dialogue: Examples from institutions in Kenya. *In Voice from the Third world. Inter – faith Dialogue: Listening to African Voices*, Vol xv111 No .December 2006 pp. 198 -214.

“Religion For Peace Not Pieces “ *In overcoming Violence : a faith –Based response* ,Eds .W.M Musyoni .Nairobi :NCCK, 2017 ,PP 220-243

Christian Expression from Euro – Americas to Africa with Reference to Nairobi, Kenya” In *emerging Christian Expression and Challenges of Christian Fundamentalism*, AACC Africa challenge Series No .11, Nairobi: AACC, 2018, PP, 35-53.

Development within African Evangelical and Pentecostal Churches: *In Quest for Integrity in Africa*, Eds, M Theuri & G. Wamue, Nairobi: Acton, 2016, PP 113-124.

Reflection on Christian evangelistic crusade in Kenya. In *AICMAR Bulletin*, Vol 1/2018., pp. 90-109.

Dr. Shiundu

In-Charge, Research, Innovation and Outreach Division

CENTRE FOR OPEN AND DISTANCE LEARNING

Anywhere anytime
learning



*Mercy Bonareri
In-Charge, e-Learning
Directorate,*

This is one of the latest innovations by Kaimosi Friends University College to facilitate online delivery of high quality certificate, diploma and degree programmes to learners in various parts of the country, the East African community and beyond. KAFUCO with the use of modern technologies is not only there realise equitable access to higher education through e-Learning but also improve the quality of educational experience for our learners.

The e-Learning Directorate is modeled around a web-based Learning Management System (LMS), electronic community and administrative centers for students and schools. All programmes offered at the eLearning directorate are primarily delivered through the internet, with students taking sit-in examinations at the University College at the end of each Semester.

Teaching and Learning

Besides learning and teaching activities, our e-Learning Directorate facilitates interaction and collaboration between and among students, academic and administrative staff. The emphasis on eLearning and other blended approaches to learning and teaching allows for individual modules to be given in a variety of ways which include a face-to-face component.

Target clients

The programmes offered at the e-Learning Directorate enable professionals and other out-of-school people to further their education and realize career growth without having to attend physical classes. The modules offered at the e-Learning Directorate are modular and flexible in nature, allowing students to register and pay for individual modules depending on their budget. These programmes are suitable for people who are in full time employment, have family commitments, live in remote areas, are taking other courses on a full time basis or would like to pay for the number of modules that they can afford each time.

Through the e-Learning Directorate of Kaimosi Friends University College, learners are able to access high quality learning resources and collaborate with fellow learners on various learning tasks within the comfort of their workplace, homes, cybercafés or even while on trips.

The ODeL TRAINING WORKSHOP

ODeL held training on Learning Management System (LMS) on 18th May 2018 to 22nd May, 2018 and on 11th June to 12th June, 2018 respectively to equip and orient trainees on online training and practical part of e-learning. Twelve lecturers and three system support staffs were trained.

PROGRAMMES TO BE OFFERED AT THE e-LEARNING DIRECTORATE

BACHELORS PROGRAMS

S/NO	PROGRAM NAME
	BACHELOR OF COMMERCE
	BACHELOR OF EDUCATION (ARTS)
	BACHELOR OF CRIMINOLOGY
	BACHELOR OF SOCIAL WORK
	BACHELOR OF ECONOMICS
	BACHELOR OF DISASTER MANAGEMENT & INTERNATIONAL
	BACHELOR OF SCIENCE IN INFORMATION TECHNOLOGY

DIPLOMA PROGRAMS

S/NO	PROGRAM NAME
	DIPLOMA IN SOCIAL WORK AND COMMUNITY DEVELOPEMENT
	DIPLOMA IN BUSINESS MANAGEMENT
	DIPLOMA IN PUBLIC RELATIONS
	DIPLOMA IN PRINT MEDIA
	DIPLOMA IN CRIMINOLOGY AND CRIMINAL JUSTICE
	DIPLOMA IN ETHICS AND CORRUPTION STUDIES.
	DIPLOMA IN INFORMATION TECHNOLOGY
	DIPLOMA IN PROJECT MANAGEMENT

CERTIFICATE PROGRAMS

S/NO	PROGRAM NAME
	CERTIFICATE IN SOCIAL WORK AND COMMUNITY
	CERTIFICATE IN BUSINESS MANAGEMENT
	CERTIFICATE IN CRIMINOLOGY AND CRIMINAL JUSTICE
	CERTIFICATE IN INFORMATION TECHNOLOGY

Mercy Bonareri **In-Charge, e-Learning Directorate,**

'Anywhere anytime Learning.'

LIBRARY DEPARTMENT



*Ms. C. Shikuku,
Assistant Librarian*

The library is committed to empowering the University College to achieve its mission of providing quality education and training, research and innovation to meet the needs of dynamic society. The library also endeavors to make it possible for clients to access up to date, relevant and adequate information plus knowledge resources.

KAFUCO library provides quality resources and innovative services to stimulate creativity, intellectual curiosity, and to facilitate lifelong learning and research within the communities we serve. We are a client-centered library which values high quality scholarship, lifelong learning, and quality service to our clientele.

Sections of Library

The library is divided into four sections:-

1. The University College Librarian's Office
2. The Technical Services Section includes: - the Acquisitions and Bibliographic Subsections
3. The Readers Services Section includes: - (Reference and Information Desk, Circulation Desk; Periodicals Section, Special Collection and the Electronic Library Subsection.
4. Bindery Section

Library Services

The following services are offered at KAFUCO Library: -

1. Registration of Library services
2. Circulation services
3. Current Awareness Services (CAS)
4. Selective Dissemination of Information (SDI)
5. E-Library services (e-books; e-journals)
6. Reference and Information Services
7. User Advisory services
8. Information Literacy Skills
9. Indexing and abstracting services

Library Spaces

The library space has expanded and it can comfortably accommodate 220 library users at any given time from the previous sixty users. We shall continuously expand the library spaces as the student population grows to ensure that it can accommodate more users given that there are no other libraries such as public or national libraries where students can read from. This makes it prudent for the Library to expand in the near future rather than later.

Information Resources

The Library has a total of approximately 3809 volumes. Three hundred and thirty volumes were acquired through donations from Strathmore University and approximately 2479 volumes were acquired through purchase from various book vendors.



A collection of books on the library shelves

Institutional Repository

The library is in the process of establishing an Institutional Repository for KAFUCO. Several publications have been availed to the library by the academic staff spearheaded by the Principal, Deputy Principal (A&SA) and Deputy Principal (F&D).

The library held its first workshop on enhancing visibility and accessibility of research and the role of institutional repository.

Academic and library staff undergoing training on institutional repository.



Electronic Resources

Harnessing ICTs in library operations and information services will enhance the provision of quality services to KAFUCO library users as well as open accessibility of information resources beyond the four walls of the library building. KAFUCO subscribed to e-resources through Kenya Libraries and Information Services Consortium (KLISC) for the financial year 2017/2018. Staff and students are able to access e-books and e-journals within the Library premises. The institution is yet to acquire Ez-Proxy software to enable off campus access by clients.

Library Automation

The exercises is ongoing using KOHA as an open-source Integrated Library System (ILS). This will assist the library staff in acquisition, cataloguing, circulation, stock verification and accessibility of online Public Access Catalog (OPAC) by students.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)



Mr. P. Musau, In-Charge
ICT

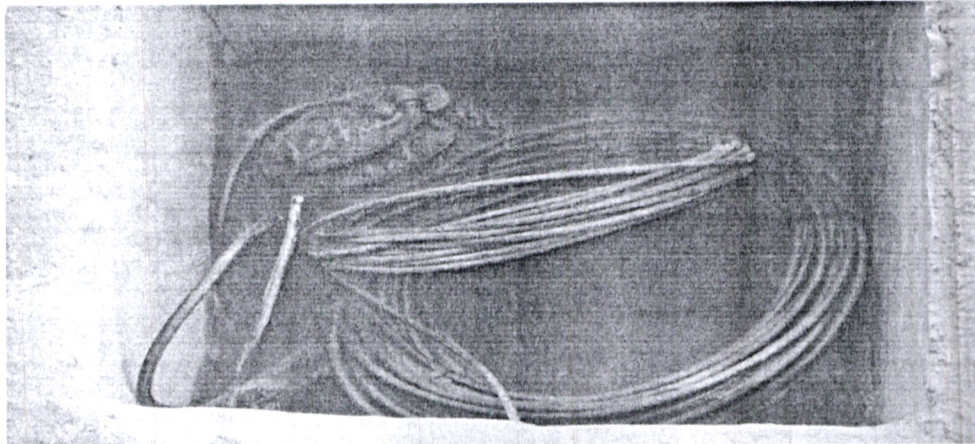
1.0 Introduction

ICT Department was established in 2015, under the office of the Deputy Principal, Academics and Students Affairs. The core mandate of the department is to cost effectively enhance the quality of teaching, learning, research and administration through the provision, use and operation of reliable, contemporary and integrated ICT infrastructure.

2.0 Wireless and Local Area Network

The Department has gone through tremendous network infrastructure growth since its inception. In the FY 2017/2018, the Department connected the major buildings to the server with fiber optic link connected to 1gbps Cisco switches. This has enhanced the access of Internet services and the applications hosted locally.

The Department increased the Wireless network coverage by installing 8 hotspots to serve both staff and students.



Fiber installation within the University College

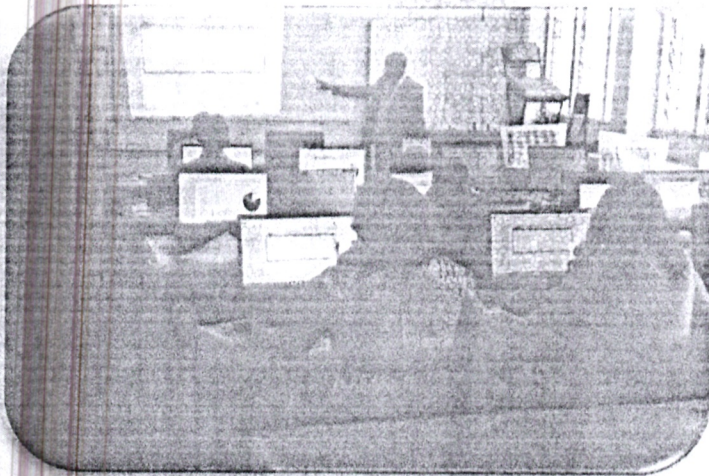
3.0 Internet Bandwidth

The Department subscribed to Internet bandwidth capacity of 2mbps in 2015 to Safaricom. The capacity has since then been upgraded to 40mbps through KENET microwave link.

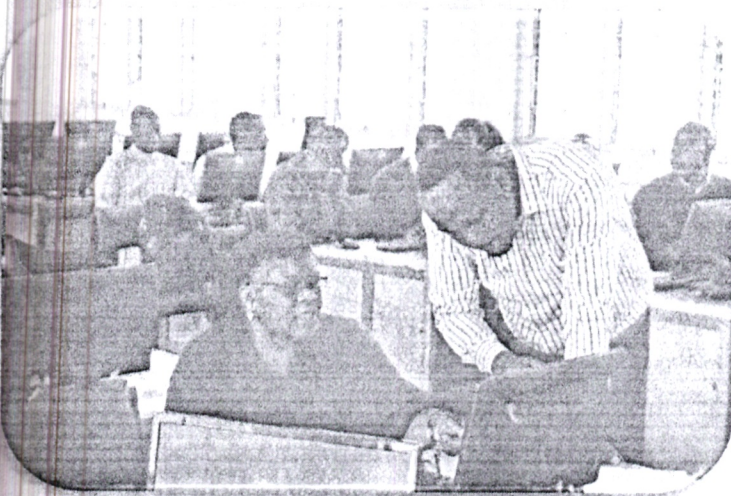
4.0 Integrated Management Information System – ERP

In 2017, the Department began implementing the Enterprise Resource Planning System with the aim of automating most University College functions. The system comprises of seventeen modules listed as follows: Students' Academic, Finance Management, Student Management, Human Resource Management, Payroll Management, Procurement and stores management, Hostel Management, Student Portal, Staff Portal, Library (KOHA), Catering Module, Timetabling Module, Asset Management, Security Management, Document Management, Estate Management and Fleet Management.

The Department has been able to implement fourteen out of the seventeen modules in the FY ending 2017/2018.



Finance department staff undergoing training on System Implementation



Academic staff undergoing training on system implementation

5.0 Way Forward

The Department plans:

- i) To increase network coverage within the University College by installing more Wi-Fi hotspots and establishing structured cabling to all the new buildings.
- ii) To install biometric identification kits to monitor class attendances by students.
- iii) To automate Health Center through installation of Health Module

OFFICE OF THE DEAN OF STUDENTS



*Mrs. Constance .M
.Amusala In -Charge
Student Affairs*

Introduction

The Office of the Dean of Students deeply appreciates the fact that the successful completion of our rigorous academic programmes largely depends on the existence of a firm and supportive welfare service that is dedicated to the creation of a conducive learning environment as well as facilitating an all-round development of a physically, psychologically, and spiritually healthy individual. As such our ambition is to address the holistic growth, development and well-being of students in support of the university's vision, mission, and objectives. The officers often work in liaison with all University College departments as well as with student leaders, parents, guardians and maintain contact with outside agencies and the community to help carry out the mandate of this office effectively and efficiently.

Services Offered

The office coordinates all welfare matters for our students such as Counseling Services, Games and Sports, Student Leadership and the maintenance of a strong link between the university administration and the students' body. Additionally, co-ordinate all matters regarding students' guidance and advising in all aspects of the student's life. Besides the Office of Dean of Students applies several strategies in reaching out to the student fraternity. At the moment the department has four sections namely: Students Counseling, Games and Sports, Catering, Hostels.

Achievements

Student welfare services has an established Guidance and Counseling section that focuses on assisting students to make informed decisions about their academic as well as social life generally. One on one counseling Sessions, group counseling such as Mentorship Hour whereby the counseling section invites various stakeholders to address students on various challenges that they would face during their stay at the university, outreach and networking. Kaimosi Friends University College students have managed to form twelve clubs/societies. Many Clubs are formed along academic discipline. KAFUCO Debating Club, Kaimosi Computing Association (KCA), Kaimosi Buisness Students Association (KABSA), Kaimosi University Education Students Association (KUESA) KAFUCO Catholic Students Association, The Christian Union, The KAFUCO Scouts Association Peer Educators' Club, among others. For instance, Peer Educators and Jumuaia Health Clubs actively participated in

sensitization and mobilization for HIV Testing and Counseling. They also engaged in blood pressure, body weight checkups, and gave Nutritional advises as indicated in table 1 below.

Table 1: Peer Educators Club

30 th Nov to 3 rd Dec, 2017	Coordinated blood donation drive, Jumia Hospital, Kakamega county. Activities included: Moonlight HTC, Blood Pressure Checking, Body Weight Checking, Nutrition Advise, Blood Sugar.
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The 1st Tamasha festival was held from 30th November, to 3rd December, 2017. The key note address was by Dr. Mutua Ezekiel the CEO Kenya Film Classification Board. On 1st December, 2017 we had A Careers Awareness Day. A part form the Tamasha activities conducted within the university college, we engaged our students in community service. About fifty students drawn from various clubs and societies took part in charity work at Jumuia Hospital. On the same day in the evening beauty pageant activity was held and the beauty queens were as follows:

1. Miss KAFUCO Victoria Mainga
2. Mr. KAFUCO Peterson .W. Murithi



Mr. and Miss. KAFUCO 2017/18

Through the annual elections of Kaimosi Friends University College Students Organization, the office organized and held Electoral Colleges Elections on 29th March, 2018, and Students Executive Council Elections on 4th March, 2018. The SEC Elect were sworn in, on 6th April, 2018. This was to ensure an elaborate arrangement to have students represented in various decision making organs of the university college such as University College Management Board (UCAB) and other Committees.



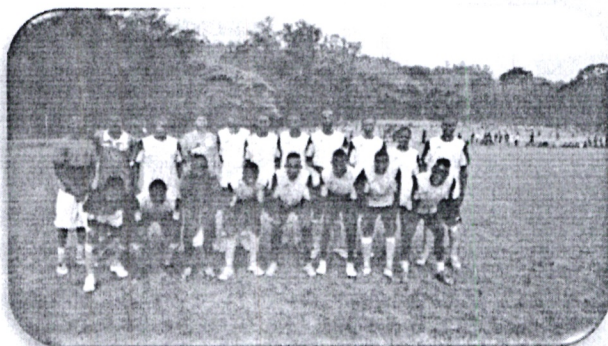
Newly Elected Students Executive Council 2018/19

Linkages and Collaboration

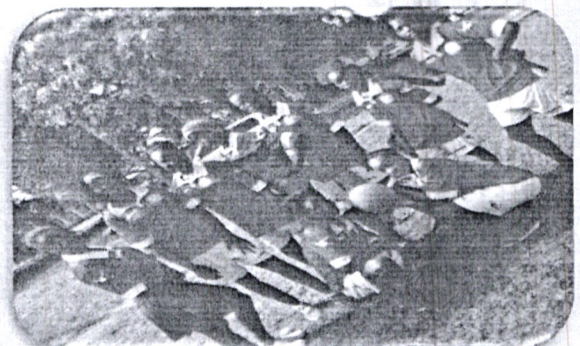
The Dean of Students' Office works closely with funding organizations such as the Higher Education Loans Board (HELB) as well as bursary schemes in order to assist their studies. It also works closely with potential employers in matters of job placement

Games Section

Kaimosi Friends University College Games & Sports Section has witnessed great and enormous growth which supports all round development of our students. KAFUCO Games and Sports section is now destined to do very well and it endeavors to be among the serious contender in the country and the region in the Inter-University Games.



KAFUCO Football Team



KAFUCO Netball Team

Hostels

The section provides accommodation to students depending on availability of space. The cost of the rooms depends on the type of room. Hostels are located on campus. However, some students are accommodated in private hostels outside the university college due to lack of bed space.

Catering

The department is charged with the responsibility of providing meals to both students and staff at an affordable price. Very high standards of hygiene are maintained.

Challenges

Extremely needy students whose numbers have continued to increase, despite advising students on financial matters in relation to fee payment, Liaising with funding organizations such as the Higher Education Loans Board (HELB) as well as bursary schemes and charitable organizations in order to assist students finance their studies. Diverse student needs. The cultural dynamics of students on campus have increasingly become complex, making the work of Student Affairs ever more challenging. Issues and concerns that include significant variables such as race, gender, physical ability, age, income, and other social variables contribute to the difficulty in creating an environment that is welcoming for all students.

Way Forward

The Dean of Students Office will strive to advance the mission of Kaimosi Friends University College and the department of student affairs. It will seek to advance the collegiate experience through programmes and services offered that promote student learning, character development, and leadership. It will also support the institutions values and traditions while placing students first in all endeavors. Upon graduation, graduates will automatically become an alumnus of Kaimosi friends University College and a member of our alumni network. The University College intends to build a lifelong relationship with alumni and each other. As a result of such a relationship, former students of Kaimosi Friends University College will be expected to keep checking back for the latest news, event invites and opportunities to stay connected to Kaimosi Friends University College. Graduates from Kaimosi Friends University College who pursue rewarding careers in every fields imaginable shall become part of a worldwide network of this University College. There is need for the office to have a Student welfare kitty to assist extremely needy students whose numbers have continued to increase.

FINANCE & DEVELOPMENT DIVISION

INTRODUCTION



*Prof. M.M Amadalo Deputy
Principal (Finance &
Development)*

The finance department remained a central player to ensuring the operations and delivery of services by the University College meets its mandate of undertaking Teaching, Learning, Research, Innovation and Holistic Development. This report is to present the key performance highlights of the division of Finance and Development for the Financial Year 2017/18.

BUDGET

Kaimosi Friends University College Budget for the year under review outlines current state and various issues limiting the growth and development of the University College in its plans to realize its mandate. The University College Strategic Plan [2017-2022] provides a roadmap for attaining its mission and strategic objectives. The University College Budget was in line with the national budget medium term expenditure framework (MTEF). The University College budget objectives were in line with the sector budget objectives as per the vision 2030, millennium development plans and other guiding policies of the national government. During the Plan period, the strategy focus was guided by five main pillars: academic programmes, physical facilities and infrastructure, financial and human resources management, governance structures and research and development and outreach.

However, KAFUCO faced a major setback, which is inadequate funding. She had proposed a recurrent budget of **KES 682.72M** out of which **KES 566.336M** was to be drawn from the exchequer and **KES 116.383M** would be internally generated. During the reporting period there was reduction in exchequer recurrent grant with the University College realizing **KES 200.739M** recurrent vote from the exchequer and an overall decrease of **KES 25.38M** in total internally generated revenue due to reduction in the number of students.

Despite, budget constraints KAFUCO endeavors to actualize and realizes its goals and objectives, and deliver on mandate to students, staff and other stakeholders.

INCOME

In the period covering 2017/18, KAFUCO total revenue was **KES 328,079M** up from **KES. 313.539M** realized in the previous year. This was made up of **KES. 200.739M** from the exchequer recurrent **KES. 36.337M** from Exchequer capital development grant and **KES 91.003M** from internal sources.

EXPENDITURES

In the year 2017/18, the University College's total expenditure was KES 274.874M that included KES. 157.042 on personal emoluments representing 57% of the total recurrent expenditure.

INVESTMENTS

In order to achieve the objective of improving teaching and learning, the University College has invested in physical facilities. The University College continued to make substantial progress during the year in terms of development. During the year, the University College made various investments of fixed assets totaling to KES. 106.545M. this included ongoing building construction works at KES 96.26M, Plant and Machinery at KES. 5.633M, computers and software at KES. 2.194M, Furniture, Fittings and Equipment at KES. 1.979M and Biological Assets at KES 0.48M.

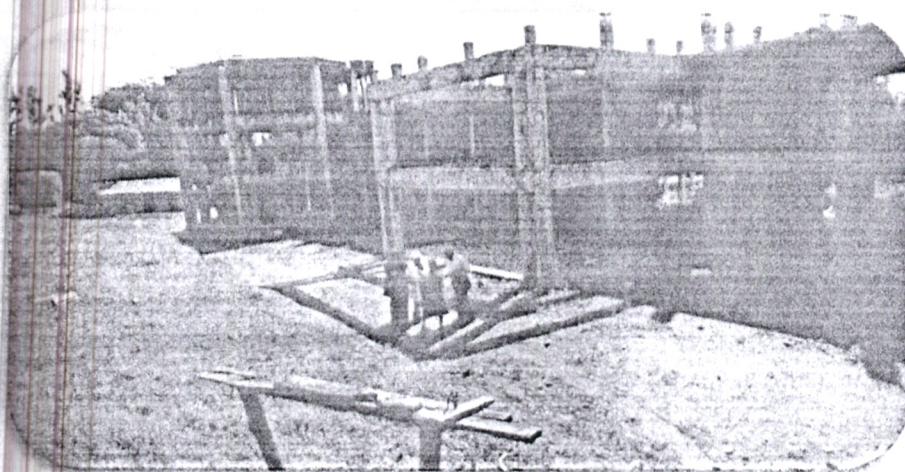
The University College could not have achieved the progress realized so far without the much needed financial support from the Government of Kenya during the period under review.

Below are key projects that the University is currently undertaking:

ONGOING PROJECTS

i. Tuition block

This is a young University College which is expanding rapidly in curriculum development which requires various type of learning spaces for lecture rooms, laboratories, research seminar rooms and offices which will be provided by this project. The project will provide modern facilities and conducive environment to both students and staff for teaching, research and ideal work place. Source of funding for this project is the Government of Kenya (GOK).



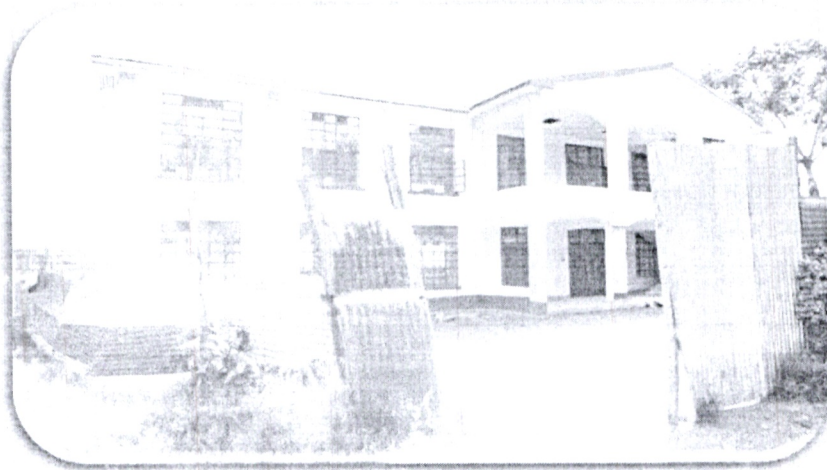
Tuition Block and Associated works: KES. 159,655,770.00

This is a vision 2030 flagship project. Its 33.99 % complete

ii. Extension of the Library

It is a requirement of Commission for University Education to have a facility that meets the set standards which is based on students' population. The library will provide students and staff space for studying and research to widen their academic sphere. Source of funding for this project is the Government of Kenya (GOK).

Library Extension and Associated Works KES. 16,199,750.00



This project is 93.28% complete

iii. ICT Infrastructure

This will connect the university college with internet and other ICT facilities for both the staff and students to enhance teaching and research in the University College. It will increase access to e- resources thus improving quality of teaching and research. Source of funding for this project is the Government of Kenya (GOK).

iv. Enterprise Resource Planning (ERP) Platform

The university college has initiated the process of establishing an ERP infrastructure with the aim of digitizing most of its operations, which will reduce its operation costs and to ensure fast, efficient and effective delivery of its services to its clientele. Source of funding for this project is the Government of Kenya (GOK).

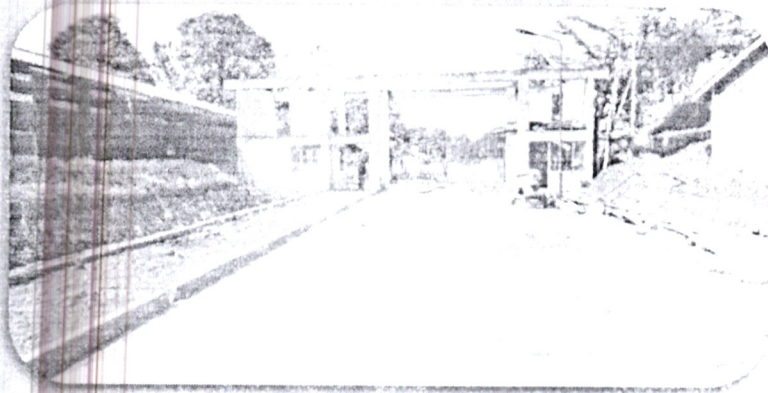
v. Master plan

The university college lacks a master plan which will aid in the planning of the infrastructure and buildings. To implement its capital developments projects the university college requires professionally designed master plan. Source of funding for this project is the Government of Kenya (GOK).

vi. **Construction of Gate, Roadworks and Associated works.**

The University College is in the process of putting up a modern gate with sentry, block paved walkways, electrical and Biometric systems. Source of funding for this project is the Government of Kenya (GOK).

Gate, Road works and Associated Works KES. 24,007,750.00



Works envisaged under these works will include but not limited to:

- i. Modern gate with sentry;
- ii. Concrete Block paved internal roads and walk ways;
- iii. Stone walled perimeter fence;
- iv. Security lighting and;
- v. Biometric systems.

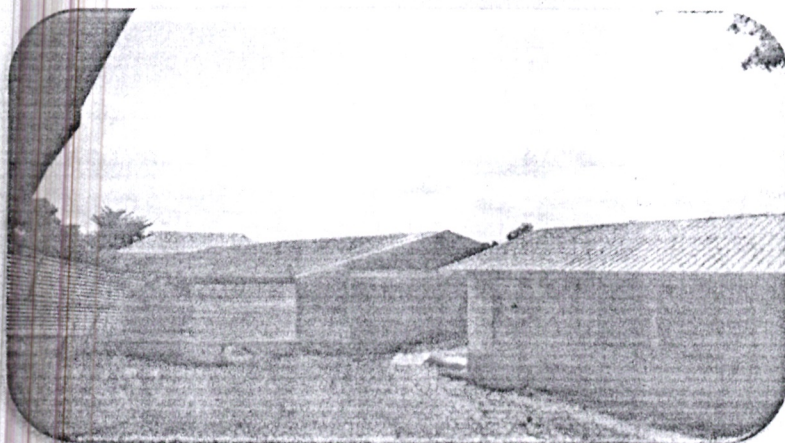
The project is 42.02% complete.

vii. **Removal of Asbestos and Re-roofing of Existing Buildings**

The University College is in the process of removing hazardous roofing material (Asbestos) used on the existing buildings and structures.

Removal of Asbestos and Re-Roofing and Associated Works KES. 18,518,410.00

Some of the building whose asbestos have been removed and re-roofed.



viii. Installation of Security Lighting

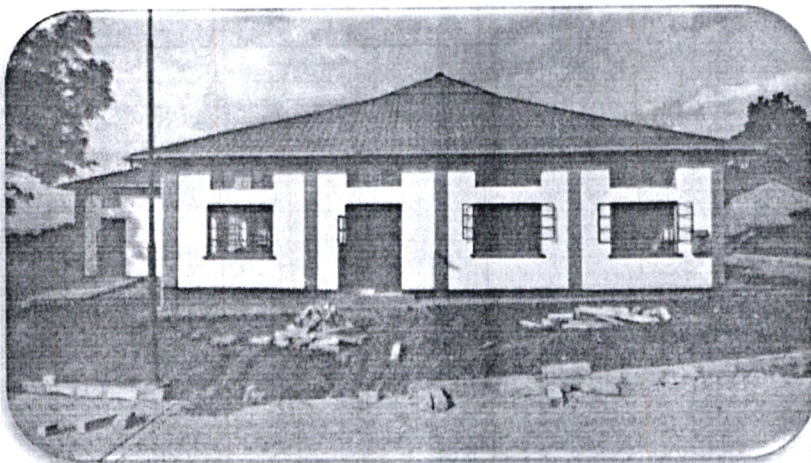
The college is situated within Kaimosi Forest and to ensure secure and a conducive learning environment for students, staff and institution property. KAFUCO has embarked on installation of security lights within and around the university.

COMPLETED PROJECTS

ix. Renovation works for existing building in the University College

Under this proposal, the committee agreed that there is need to renovate all the buildings in the university college to give a facelift that conforms to university standards. However, this exercise would be costly, as a result it was agreed that completion works to be undertaken in the Governor's hall, and repair works on the recently annexed classrooms from TTC to be undertaken. Source of funding for this project is the Government of Kenya (GOK).

Renovation of Governor's Hall and Associated Works



Phase I of this project is complete whose deliverables include:

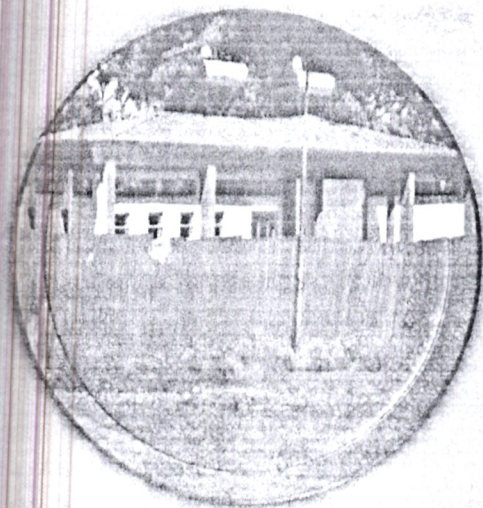
- i. Painted building
- ii. Floor tiled building
- iii. Installation of foul air extractors
- iv. New washroom Constructed

x. Proposed Construction of three Ablution block External water reticulation and sewerage

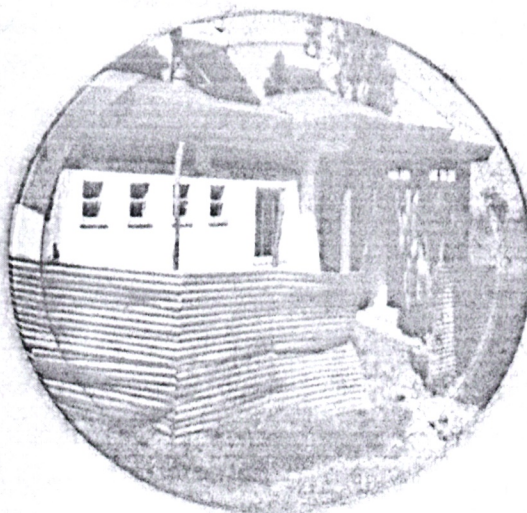
The University College has current student population of over 1000. Due to lack of sufficient ablution block, the University College has constructed an ablution block for

staff and two for students, external water reticulation and sewerage system. Source of funding for this project is the Government of Kenya (GOK).

Construction of 2No. Students Ablution Block



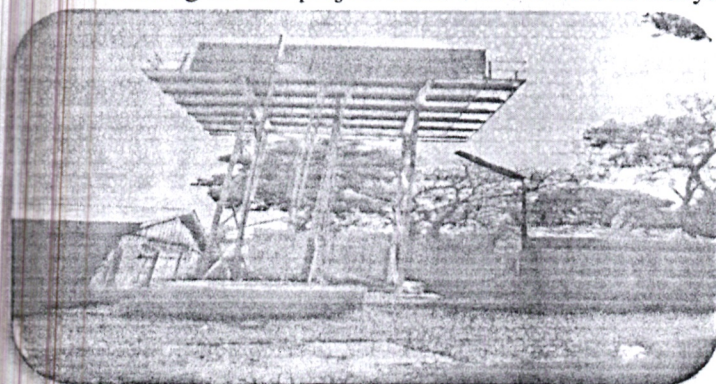
Female Ablution Block



Male Ablution Block

Pressed Steel water tank

Due to persistent water shortage the University College has acquired a steel water tank. Source of funding for this project is the Government of Kenya (GOK).



Pressed Low Level Steel Water Tank

This is a completed project whose deliverables include:

- i. 300m³ low level pressed steel water tank
- ii. Aluminum of 20m³ raised steel tank
- iii. Pump house with 2No. water pumps
- iv. Chain link perimeter fence with a gate

HUMAN RESOURCE AND ADMINISTRATION DEPARTMENT



Mr. P.A. Mugesani,
Senior Assistant Registrar
(HR & Admin)

The University College is committed to recruitment and retaining of high calibre of staff for successful attainment of its objectives. KAFUCO is an equal opportunity employer with no discrimination on basis of race, gender, religion, ethnicity, language, political, nationality, disability, pregnancy or on HIV status.

The Human resource department has taken stride in achieving many milestones in the financial year 2017/2018, which include employment, training and appraisals of staff.

a) Employment

The *People Strategy 2017–2022* prioritizes building and strengthening the University College greatest asset, its people. The University College's investment in its core work of teaching and research continued with a further increase in the number of academic staff employed in FY 2017/2018.

The following staff were engaged on different terms of service during the Financial Year 2017-18

	Male	Female	Total
Academic Staff	19	6	25
Admin & Support Staff	6	10	16
Total	25	16	41

b) Training

Kaimosi Friends University College is committed to expose its staff to various trainings both on the job training and out of job training through workshops, seminars and retreats. This is an effort to improve the overall organizational efficiency and effectiveness. KAFUCO staff have undergone various trainings during the financial year 2017/2018. Some of the many trainings are as summarized in the table below:

S/N.	DEPARTMENT	NO. OF STAFF	CORE AREA OF TRAINING	DATES AND VENUE
1.	University College Management Board	21	-Procurement	18 th -21 st May 2018
2.	University Council	10	-Labor Laws (2007)	7-8 th June 2018 Kisumu Hotel
3.	HIV/AIDS Committee	7	-Aids Control Unit Policy	11-12 th May 2018
4.	Disability Committee	5	-Disability mainstreaming	25 th May 2018
5.	Finance Department	2	-Budget issues	19 th May 2018
6.	Integrity Committee	8	-Corruption prevention at the work place	4 th -8 th June 2018
7.	Quality Assurance Committee	8	-Quality implementation	4 th – 5 th May 2018
8.	HIV/AIDS Committee	All staff	-HIV/AIDS at the work place	7 th June 2018
9.	Performance Contracting	9	-Preparation for Performance Contracting	9 th -10 th May 2018
10.	Senior Management	6	-SCACC trainings	April 2018- Naivasha



KAFUCO Council Members pose for photo after Labor laws training workshop on 7-8th June 2018 Kisumu Hotel



KAFUCO University College Management Board pose for photo after Procurement & Audit training workshop on 18th-21st May 2018 Tom Mboya Labor College

C. Achievements

Key notable achievements in the human resource department include:

- The development and implementation of the staff appraisal tool that was approved by the university College council.
- Approval of the Human resource manual and the schemes of service by the university council
- Allocation of resources to automate staff attendance register
- Changing of the medical in-patient scheme to comprehensive to improve efficiency in the management of medical insurance claims.

University College Health Services



University College Health Unit Front view

The University College Health Services (UCHS) is mandated to provide quality healthcare of international standards to the University students, staff and staff dependents.

Achievements

In FY 2017/18, the department realized the following:

- a) Purchased modern electron microscope, full haemogram Machine, electronic centrifuge, blood mixer, glucometer, Hb Machine just but a few.
- b) Purchased one new Toyota land cruiser ambulance
- c) Registration of the university clinic with the medical and dentist board - on going

Staff

In 2018, the university clients (students, staff and staff beneficiaries') were facilitated by the following staff:

SN	Title	No.
1	Clinical Officers	2
2	Pharmaceutical Technologist	1
3	Nursing Officer	2
4	Laboratory Technologist	1
5	Records Clerk	1
6	Cleaner	1

Challenges

The department faced the listed challenges:

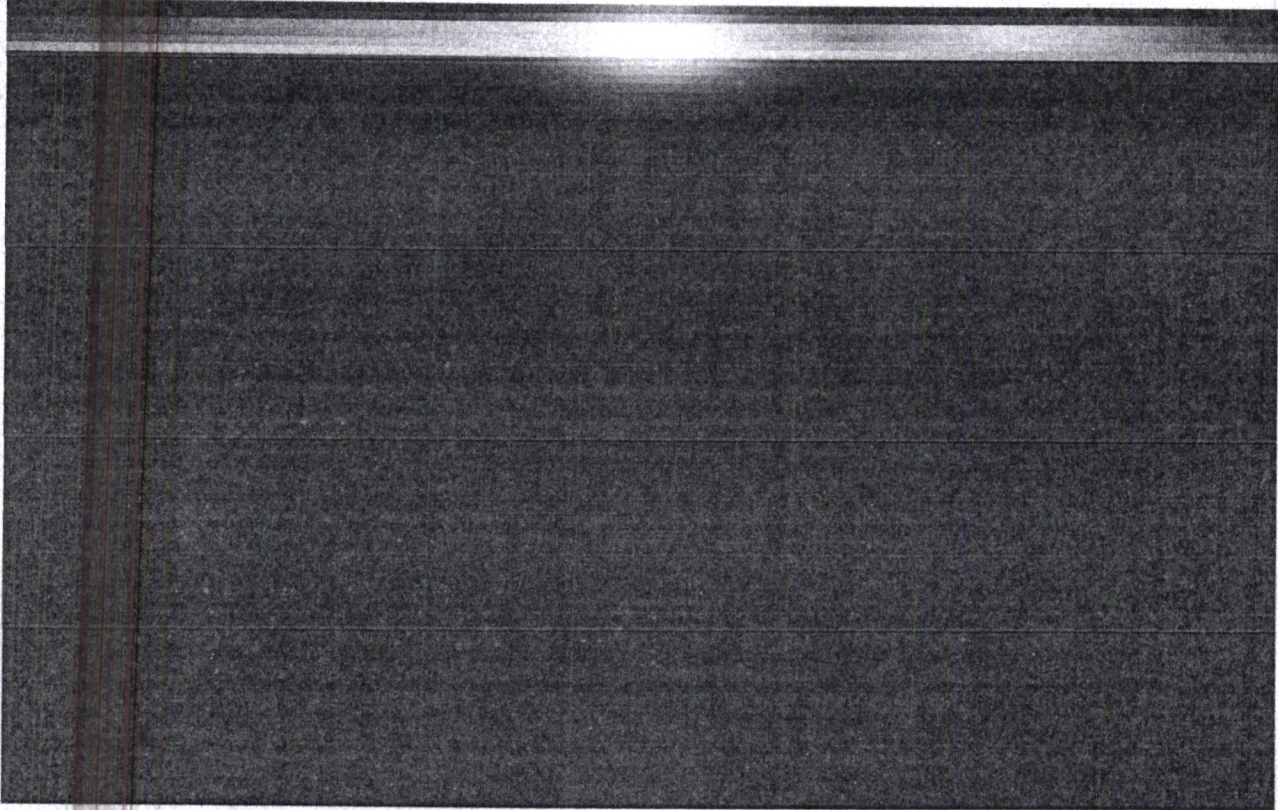
- a) Inadequate physical facilities and equipments
- b) Lack of adequate staff to ensure 24/7 operation

Projections

- a) Accreditation of the clinic with NHIF
- b) Relocation / Renovation the university Clinic
- c) Establish modern laboratory
- d) Review staffing levels for all cadres to be able to serve cost –effectively to increasing patient population.
- e) Solicit for absorbing locum health workers in either contract terms of service or permanent and pensionable employment.

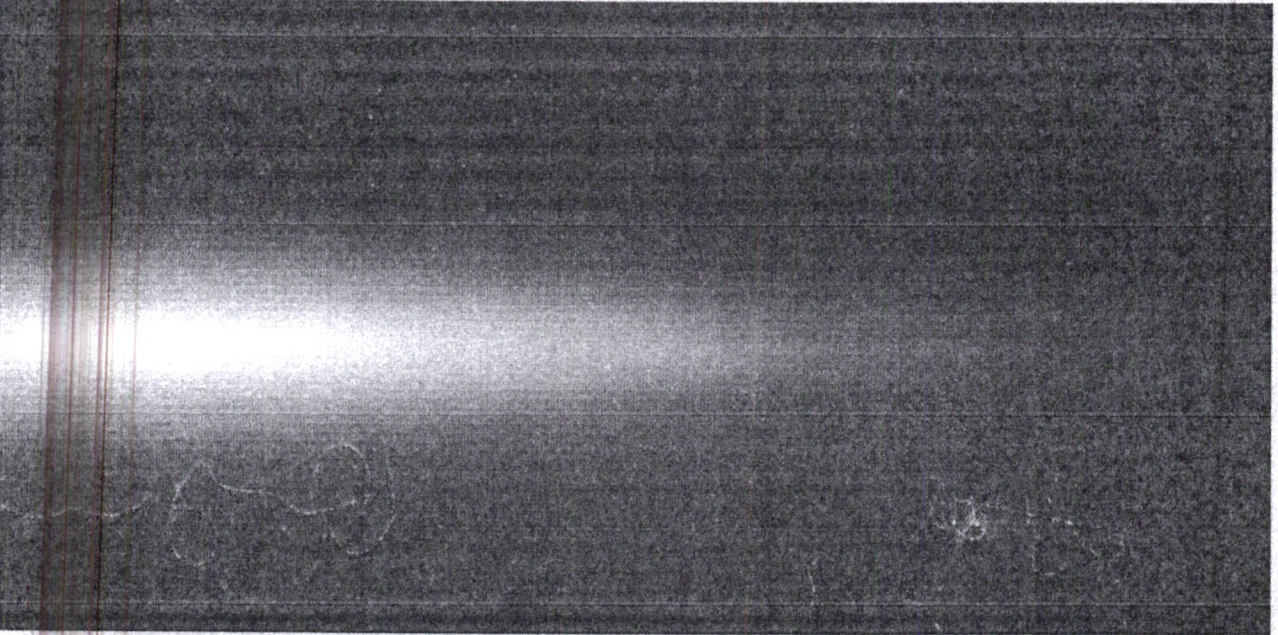


In-Charge Health Services Mr. Wanyama talk to Student waiting to be served at the facility



PART II

**FINANCIAL STATEMENTS
FOR THE YEAR 2017/2018**



STATEMENT OF UNIVERSITY COUNCIL'S RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act cap 446 require the Council members to prepare financial statements which give a true and fair view of the state of affairs of KAFUCO at the end of the quarter and the operating results of KAFUCO for quarter ending 30 June, 2018. The Council members are also required to ensure that the KAFUCO keeps proper accounting records which disclose with reasonable accuracy the financial position of KAFUCO. The Council members are also responsible for safeguarding the assets of the KAFUCO.

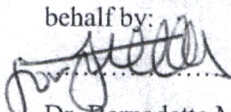
The Council members are responsible for the preparation and presentation of the KAFUCO's financial statements, which give a true and fair view of the state of affairs of KAFUCO for and as at the end of the quarter ending 30 June, 2018. This responsibility includes: (i) maintaining adequate financial 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 KAFUCO; (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 KAFUCO; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for KAFUCO's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act Cap 446. The Council members are of the opinion that KAFUCO's financial statements give a true and fair view of the state of KAFUCO's transactions during the quarter ending 30 June, 2018, and of KAFUCO's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for KAFUCO's, which have been relied upon in the preparation of the KAFUCO's financial statements as well as the adequacy of the systems of internal financial control.

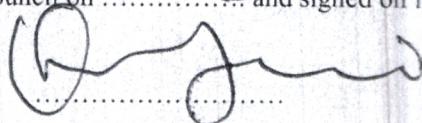
Nothing has come to the attention of the Council members to indicate that the KAFUCO will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

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


.....
Dr. Bernadette Mungai,

Chairperson of Council, KAFUCO


.....

Prof. O.M.J. Nandi

Principal, KAFUCO

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Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON KAIMOSI FRIENDS UNIVERSITY COLLEGE FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kaimosi Friends University College set out on pages 84 to 103, which comprise the statement of financial position as at 30 June 2018, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, 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 Kaimosi Friends University College as at 30 June 2018, 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 University Act, 2012 and Public Finance Management Act ,2012.

Basis for Qualified Opinion

1. Cash & Cash Equivalents

1.1. Unsupported Payments in Bank Statement not yet Recorded in the Cash Book.

The statement of financial position reflects a cash and cash equivalents balance of Kshs.99,164,000 as at 30 June 2018. However, various payments were being made direct from the bank account without any evidence of payment vouchers being processed in the cash book as detailed below: -

Report of the Auditor-General on the Financial Statements of Kaimosi Friends University College for the year ended 30 June 2018

	Date	Unrecorded Payments in the Cash Book Kshs.
1	30-Jun-18	16,800
2	31-May-18	30,016,280
3	31 April 2018	30,016,280
4	31-Mar-18	10,015,730
5	28-Feb-18	10,015,620
6	31-Jan-18	10,005,510
7	31-Dec-17	0
8	30-Nov-17	10,000,550
9	31-Oct-17	4,410
10	30- Sep- 2017	7,910
11	31 Aug- 2017	4,410
12	31 July 2017	3,750
Total		100,107,250

In the month of November 2017, an amount of Kshs.10,000,550 paid through KCB RTGS Swift Transfer RT009601033476 was reflected as payments in bank statement not yet recorded in cash book and later reinstated in the January 2018 reconciliations, thus resulting in double accounting.

In view of the foregoing, the accuracy and completeness of the cash and cash equivalents' balance of Kshs.99,164,000 could not be ascertained.

2. Property, Plant and Equipment

The statement of financial position indicates property, plant and equipment balance of Kshs.46,842,000 as at 30 June 2018. However, the financial statements reflect purchase of Kshs.106,066,000 additional property, plant and equipment while examination of the fixed asset register in respect of property, plant and equipment indicates total additional assets of Kshs.104,333,595 resulting in an unexplained difference of Kshs.1,732,405. Further, the fixed assets register remains un updated with the additional assets.

Consequently, the accuracy, completeness and validity of property, plant and equipment balance of Kshs.46,842,000 in the financial statements is in doubt.

3. Trade and Other Payables

Included in the financial statements under Note 18 is trade and other payables from exchange transactions of Kshs.36,031,000 which includes a balance of Kshs.12,726,000 as refundable deposits from customers. This comprises of refunds meant for contractors' retention money. However, the University did not maintain a

deposit account for the refunds. This is contrary to section 81(2) of the Public Finance Management Act (National Government) Regulations, 2015 which stipulates that the accounting officer shall include in the financial statements a statement of the entity's assets and liabilities as at the end of the financial year in respect of the recurrent vote, development vote and funds and deposits.

Consequently, the University is in breach of the law and the custody and safety of the refundable deposits of Kshs12,726,000 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Kaimosi Friends University College in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significance in the audit of the financial statements of the current year. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Budget as a Control Tool

1.1 Under Absorption

Analysis of the approved budget revealed that the capital budget had been reduced to Kshs.42,500,000 from Kshs.170,000,000 due to utilization of the capital funds during the financial year 2016/2017 resulting to a balance of Kshs.118,107,441 in the development account as at 30 June 2017. During the year under review actual funds for development was Kshs.36,337,500. However, the University only utilized Kshs.88,137,142 representing 57% of the available funds amounting to Ksh154,444,941 leaving a balance of Ksh66,307,799 unutilized as detailed (under absorption):

Details	Available Funds Kshs.	Actual Expenditure Kshs.
Amount carried forward from 2016/2017	118,107,441.00	-
Budgeted Amount (170,000,000x0.25) =42,500,000	36,337,500.00	-
Total amount / budgeted and available for use.	154,444,941.00	88,137,142.00

2. Failure to Prepare Monthly Bank Reconciliation Statements.

All the seventy four (74) monthly bank reconciliation statements for the six (6) bank accounts were prepared on the 28 September 2018 as opposed to being prepared on a monthly basis as required by Section 90 (1) of the Public Finance Management Act 2012, which states that “An Accounting Officer shall ensure bank reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the National Treasury with a copy to the Auditor-General”. Further, the submitted bank reconciliations statements did not have the names, designation and the dates of the preparer, checked by and the reviewer respectively.

In the circumstances, the validity, accuracy and completeness of the submitted bank reconciliation statements could not be ascertained.

REPORT ON COMPLIANCE WITH 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 Qualified Opinion section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Conclusion

Progress

Works

Under documents, revealed that an open tender was advertised in relation to the proposed tuition block and associated works (Contract No. 16-17), for contract price of Kshs.125,138,335. The nine (9) firms were responsive hence considered for award. The details are as follows:

	Tender Sum Kshs.	Bid Security Kshs.	Bid Security Issuing Firm
	161,299,440	3,240,000	AMACO
	1,999,999	3,999,999	Giro Bank
	125,138,335	2,502,767	AMACO
	127,647,150	2,600,000	UAP

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Balance Kshs.	-
	-
	66,307,799.00
College for the year	

of Kaimosi Friends University College for the year

	Bidders Company Name	Tender Sum Kshs.	Bid Security Kshs.	Bid Security Issuing Firm
5.	Eldo Rosta Construction Co.Ltd	130,451,094	2,609,022	Trident Insurance Co. Ltd
6.	MBIG Limited	177,776,652	3,600,000	Family Bank
7.	Wilkori Building & civil Engineering	143,198,950	2,900,000	AMACO
8.	Fine Tops Enterprises Limited	158,108,392	3,162,168	Xplico Insurance
9.	Atlas Plumbers & Builders	139,418,250	3,000,000	Mayfair

The following observations ensue:

- It was noted that, Lubimbayi Construction Limited was awarded, at a fixed contract price of Kshs.125,138,335 and Formal agreement signed on 23 December 2016.
- Jumba Engineering services were paid Kshs.3,335,790 under the same contract but no payment voucher was made available for audit review. Further, how they were identified was not clear from the examination of both the Bills of Quantities (BQs) and evaluation reports.
- The contract start date was 24 January 2017 and expected completion date was 30 November 2017(contract duration of 11 Months). This was however revised to 30 May 2018. However, no extension letter has been availed for audit scrutiny. Thus the contract period elapsed and its now 2years later and the works have stalled.
- Further, it means the contractor Lubimbayi Construction Company limited did not have the capacity; given the project has stalled and was already paid a total of Kshs.70,206,564. This was as detailed below:

Payee Name	Date	PV No.	Certificate No	Amount Kshs.
Lubimbayi Construction Co.Ltd	14 Mar.2018	402	1	14,241,948
Lubimbayi Construction Co.Ltd	14 Mar.2018	401	2	3,932,790
Lubimbayi Construction Co.Ltd	14 Mar.2018	400	3	8,096,730
Lubimbayi Construction Co.Ltd			4	7,028,341
Lubimbayi Construction Co.Ltd	01 Aug.2017	472	5	5,571,135
Lubimbayi Construction Co.Ltd	07 Sep.2017	1154	6	4,535,959
Lubimbayi Construction Co.Ltd	13 Oct.2017	864	7	4,634,378

Payee Name	Date	PV No.	Certificate No	Amount Kshs.
Lubimbayi Construction Co.Ltd	20 Dec.2017	959	8	6,227,047
Lubimbayi Construction Co.Ltd	16 Feb.2018	636	9	5,233,908
Lubimbayi Construction Co.Ltd	19 Sep.2018	-	10	7,368,538
Jumba Engineering Services	-	-		3,335,790
TOTAL				70,206,564

Project Physical Verification

Physical verification carried out on 28 November 2018 revealed the following:

Another contractor, Icon Construction company limited was on site, as evidenced by our interaction with his foreman but no signboard was erected to show that he was actually on the ground. No agreement between the contracted contractor, Lubimbayi and Capital Icon Construction Co. Limited was availed to enable us ascertain the terms of engagement of the new contractor.

Further, cut off test established that all payments are done to Lubimbayi despite the fact that another contractor has been engaged, thus in case of disputes arising from non-performance it's not clear who the university being the employer will sue and vice versa.

No works evaluation report terminating Lubimbayi and engaging Capital Icon Construction company Limited was availed for audit review.

The University has not obtained value for money from the expenditure of Kshs.70,206,564 already paid to the contractor for the incomplete works two years after contracting and no effort is being made to remedy the situation.

2. Work in Progress

2.1. Split tender

Examination of tender documents, revealed that an open tender was advertised in respect of proposed removal of asbestos, re-roofing and associated works at Kaimosi Friends University College (Contract No KAFUCO/EST/04/17-18). The following was noted:

The contract was awarded to four (4) contractors and divided in Lots I, II, III and IV. Total contract price was grand total of Kshs.18,518,410. However, this works was split as follows:

Name of Contractor	Description	Contract No	Amount Kshs.
Midland Construction Co Ltd	LOT I	KAFUCO/EST/04/17-18	5,118,400
Kontinum Access Construction Co Ltd	LOT II	KAFUCO/EST/05/17-18	4,135,950
Pan Cable Technology Kenya Ltd	LOT III	KAFUCO/EST/06/17-18	4,286,610
Mecada Contractors Limited	LOT IV	KAFUCO/EST/07/17-18	4,977,450
TOTAL			18,518,410

No newspaper advertisement stating whether the tender was open, or request for quotations was availed for audit review.

It was not clear, why similar works (proposed removal of asbestos, re-roofing and associated works) was done by four different contractors, some of which bided in all the four contracts. This is tantamount to split tender contrary to section 54(1) of Public Procurement and Asset Disposal Act 2015. Thus it was not clear why the said contract was done in batches instead of consolidating into one procurement, having been of similar service.

3. Repair & Maintenance

3.1. Irregular Procurement of Minibus Repair Services

As disclosed in the report, the vehicle engine for KAW 523Z broke down as a result of undue diligence and failure on the part of the driver to exercise reasonable care when engaging the gear system. The report on the damage of the vehicle is from the University transport department. Further inquiry and assessment was made and it was noted that the department does not have enough capacity in terms of technical know-how to carry out mechanical valuation and assessment. The report is prepared by a driver. It is expected that the University should have liaised with the mechanical officer in the Department of Public Works to aid in the process so that a competent assessment and report is done.

Further analysis was done and it was revealed that Kshs.1,288,618 was incurred as the cost for repairs. Namo Italiano Ltd was charged with the responsibility of the repairs. Consequently, the management was in breach of the procurement law and 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 INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

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

Basis for Conclusion

1. Understanding the Entity

1.1. Non-compliance on Issue on Audit Committee Requirement

It was noted that the Audit Committee did not have the following during the period under review: Approved Audit Committee Service Charter, Approved Risk Based Annual Work Plan (that contains the Risk Assessment Report) and the Internal Audit Strategic Plan,

Other notable observations include:

- i. The audit committee had some recommendations based on audit issues raised to the management which were not adequately responded to.
- ii. Minutes of the Audit Committee Meeting were not signed Contrary to section 5.4. (e) of the same gazette notice number 2690 which requires that after the minutes are confirmed as true record of the meeting, they should be signed by the Chair and the secretary.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the Kaimosi Friends University College ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Kaimosi Friends University College or to cease operations, or have no realistic alternative but to do so.

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 Kaimosi Friends University College policies and procedures may deteriorate.

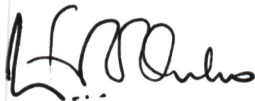
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 Kaimosi Friends University College 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 Kaimosi Friends University College 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 Kaimosi Friends University College 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.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

29 January 2019

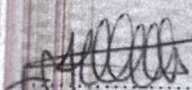
FINANCIAL STATEMENTS

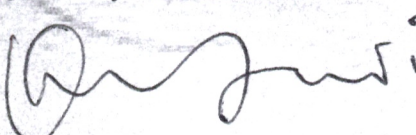
KAIMOSI FRIENDS UNIVERSITY COLLEGE STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018 (Figures in KES '000')

	Note	2017/18 KES	2016/17 KES
Revenue from Non-Exchange Transactions			
Exchequer Grants	1	200,739	50,000
Revenue from Exchange Transactions			
Tuition Fees	2	52,111	55,868
Other Tuition Related Income	3	33,570	-
IGA Income	4	5,080	7,419
Other Income	5	243	251
TOTAL REVENUE		291,742	113,539
EXPENSE			
Council Expense	6	17,264	11,014
Utilities	7	3,114	2,449
Personnel Costs	8	157,042	27,444
Operating & Administrative Costs	9	77,902	42,846
Repair & Maintenance	10	5,802	5,710
Depreciation & Amortization	11	13,750	4,173
TOTAL EXPENSE		274,874	93,637
Surplus for the Period		16,868	19,902
Surplus B/F		19,902	-
Surplus C/F		36,770	-

The financial statements set out on pages 84 to 88 were approved by the Council on and were signed on its behalf by:


Dr. Bernadette Mungai,
Chairperson of Council, KAFUCO


Prof. O.M.J. Nandi
Principal, KAFUCO

N/B. The financial statement is to be read in conjunction with the notes to and forming part of the financial statements set out in pages 89 to 102

KAIMOSI FRIENDS UNIVERSITY COLLEGE
STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2018 (Figures in KES '000')

	Note	2017/18 KES	2016/17 KES
ASSETS			
Current Assets			
Cash & Cash Equivalents	12	99,164	145,094
Receivables from Exchange Transactions	13	26,197	12,052
Receivables from non-exchange Transactions	14	2,428	1,696
Inventories	15	7,795	6,745
Total Current Assets		135,584	165,587
Non-current Assets			
Property, Plant and Equipment	16	46,842	103,780
Work In Progress	16	149,254	-
Biological Assets	17	480	-
Total Assets		332,160	269,367
Current Liabilities			
Trade & Other Payables	18	36,031	36,683
Employee Benefit Obligation	19	-	4,283
Payment Received in Advance	20	2,886	-
Special Accounts & Grants	21	1,789	-
Provision	22	9,217	-
Total Current Liabilities		49,923	40,966
Non-current Liabilities			
Refundable Deposits from customers	23	1,780	1,149
Total Liabilities		51,703	42,115
Net Assets			
Accumulated Surplus		36,769	19,902
Capital Grants		243,688	207,350
Total Net Assets		280,457	227,252
Total Net Assets and Liabilities		332,160	269,367

KAIMOSI FRIENDS UNIVERSITY COLLEGE
 STATEMENT OF CHANGE IN NET ASSETS
 FOR THE YEAR ENDED 30 JUNE 2018 (Figures in KES '000')

	Capital Fund KES	Revenue Reserves shs	Total KES
Balance as at 1/7/2017	207,350,	19,902	227,252
Capital Grant	36,338	-	36,338
Surplus for the year	-	16,868	16,868
Balance as at 30/6/2017	243,688	36,769	280,457

KAIMOSI FRIENDS UNIVERSITY COLLEGE
STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 30 JUNE 2018 (Figures in KES '000')

	Note	2017/18 KES '000"	2016/17 KES '000"
Cash & Cash Equivalents at the Beginning of the Quarter		145,094	-
Cash flows from Operating Activities			
Receipts			
Recurrent Grants	1	200,739	50,000
Tuition Fees	2	52,111	55,868
Other Tuition Related Income	3	33,570	-
IGA Income	4	5,080	7,419
Other Income	5	243	251
Payments			
Council Expense	6	17,264	11,014
Utilities	7	3,114	2,449
Personnel Cost	8	157,042	27,444
Operating & Admin Costs	9	77,902	42,846
Repairs & Maintenance	10	5,802	5,711
(Increase)/Decrease in Trade & Other Receivables	13-14	(14,877)	(13,748)
(Increase)/Decrease in Inventory	15	(1,050)	(6,745)
(Increase)/Decrease in Trade & Other Payables	18-22	8,957	40,966
Net Cash flow from Operating Activities		<u>23,648</u>	<u>44,548</u>
Cash flows from Investment Activities			
Purchase of Property, Plant and Equipment	16-17	(106,545)	(100,603)
Net Cash flow from Investment Activities		<u>(106,545)</u>	<u>(100,603)</u>
Cash flows from Financing Activities			
Long term Liabilities	23	631	1,149
Capital Grant		36,338	200,000
Net Cash flow from Financing Activities		<u>36,969</u>	<u>201,149</u>
Net Increase/ (Decrease) in Cash & Cash Equivalents		(45,928)	145,094
Cash & Cash Equivalents at End of the Quarter		99,164	145,094

KAIMOSI FRIENDS UNIVERSITY COLLEGE
STATEMENT OF BUDGET AND ACTUAL COMPARISON

FOR THE YEAR ENDED 30 JUNE 2018 (Figures in KES '000')

	Original Budget KES	Final Budget KES	Actual on Comparison Basis KES	Performance Difference
REVENUE				
Exchequer Grants	180,739	200,739	200,739	-
Tuition Fees	35,000	35,000	52,111	(17,111)
Other Tuition Related Income	29,380	29,380	33,570	(4,190)
IGA Income	10,000	10,000	5,080	4,920
Other Income	16,989	16,989	243	16,746
TOTAL REVENUE	272,107	292,107	291,742	366
EXPENSE				
Council Expense	15,000	15,961	17,264	(1,303)
Utilities	4,150	3,527	3,113	413
Personnel Costs	157,210	160,360	157,042	3,318
Operating & Administrative Costs	86,792	94,514	77,902	16,612
Repair & Maintenance	4,455	6,130	5,802	327
Fixed Assets	4,500	11,616	10,285	1,330
TOTAL EXPENSE	272,107	292,107	271,409	28,220
Surplus for the Period			20,332	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements shall be prepared in accordance with International Public Sector Accounting standards as may be issued by the respective standard setting bodies from time to time. The financial statements shall be prepared under the historical cost convention.

b) Revenue recognition

i) Revenue from non-exchange transactions

Government Recurrent Grants and 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.

ii) 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.

Interest income

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

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.

c) Budget information

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

d) Property, plant and equipment

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 revalued amount, to its residual value over its estimated useful life using the following annual rates:

Description	Annual Rate
Buildings	2.5%
Plant & machinery	20%
Computer	33.3%
Motor vehicles	25%
Furniture, Fitting & equipment	12.5%

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated

intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

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

Intangible assets 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.

f) 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.

g) 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.

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.

h) 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.

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

Contingent assets

The University does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain 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.

j) Nature and purpose of reserves

The University creates and maintains reserves in terms of specific requirements. Entity to state the reserves maintained and appropriate policies adopted.

k) Changes in accounting policies and estimates

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.

l) Employee benefits

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

m) 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.

n) 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.

o) 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.

p) 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.

q) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2014.

r) 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 incurred on qualifying assets will be treated as permitted by the IPSAS using the appropriate model.

s) 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.

t) 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. Investment property shall be recognized as permitted by the IPSAS using the appropriate recognition model.

u) 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

v) 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 and all other treatments shall be as permitted by the IPSAS

w) 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 and all other treatments shall be as permitted by the IPSAS

x) Agriculture

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.

1. Revenue from non-exchange transactions

Recurrent Grants	2017/18 KES '000'	2016/17 KES '000'
August 2017	15,062	-
September 2017	15,062	7,500
October 2017	15,062	-
November 2017	15,062	-
December 2017	23,395	12,500
January 2018	16,728	-
February 2018	16,728	-
March 2018	16,728	12,500
April 2018	16,728	-
May 2018	16,728	12,500
June 2018	33,456	-
Total Recurrent Grant revenue	200,739	50,000

2. Tuition Fees

	2017/18 KES '000'	2016/17 KES '000'
KUCCPS/PSSP	52,111	55,868
Total revenue from Tuition	51,952	55,868

3. Other Tuition Related Income

	2017/18 KES '000'	2016/17 KES '000'
Activity Fees	1,739	-
Amenity	1,739	-
Examination Fees	7,808	-
ICT Levy	8,695	-
KUCCPS Processing Fees	860	-
Library Fees	5,217	-
Medical Fees	2,609	-
Registration Fees	314	-
Student ID Cards	316	-
Students Organization Fees (KAFUSO)	696	-
Application Fees	56	-
Supervision Fees	55	-
Supplementary Exams	112	-
Teaching Practice/Attachment Fees	3,357	-
Total revenue from the Other Tuition Related	33,570	-

3. Income Generating Activities		
	2017/18 KES '000'	2016/17 KES '000'
Accommodation Fees	2,503	7,419
Catering Income	2,570	-
Farm Income	6,155	-
Total IGA	<u>5,080</u>	<u>7,419</u>
5. Other Incomes		
	2017/18 KES '000'	2016/17 KES '000'
Donations	40	-
Hire Of Bus	102	-
Hire of Hall & Conference facilities	25	251
Hire Of Playing Ground	22	-
Miscellaneous Income	4	-
Remarking fee	4	-
Rent Income	39	-
Sale of Tender Documents	8	-
Total Revenue from Other Income	<u>243</u>	<u>251</u>
6. Remuneration of directors		
	2017/18 KES '000'	2016/17 KES '000'
Sitting Allowance	17,264	11,014
Total director emoluments	<u>17,264</u>	<u>11,014</u>
7. Utilities		
	2017/18 KES '000'	2016/17 KES '000'
Electricity	2,015	1,434
Water	1,099	1,015
Total Utility Expenses	<u>3,114</u>	<u>2,449</u>
8. Employee costs		
	2017/18 KES '000'	2016/17 KES '000'
Basic salary	75,920	15,046
House Allowance	34,706	-
Commuting Allowance	8,180	-
Car Allowance	4,952	-
Responsibility Allowance	4,051	-
Acting Allowance	296	-
Entertainment allowance	2,052	-
Telephone Allowance	1,411	-
Domestic workers	918	-
Professorial Allowance	122	-
Risk Allowance	164	-
Tool Allowance	1	-
Extraneous Allowance	1,076	-
Passage and Baggage allowance	353	-

Part-time Teaching Payments	13,877	11,821
Employers Pension Contributions	6,096	-
Leave Allowance	777	-
Salary Locum Appointees	672	577
Gratuity	319	-
Other Allowances	816	-
Employers NSSF Contribution	283	-
Employee costs	157,042	27,444

9. Operating & Administrative Expense

	2017/18	2016/17
	KES '000'	KES '000'
Admission related expenses (KUCCPS)	780	833
Advertisements & Publicity	1,099	1,869
Anti-Corruption Expense	459	-
Bank Charges	74	85
Books & Journals	3,996	1,921
Carriage, Insurance and Freight Charges	1,082	-
Cleaning Materials	582	372
Corporate Social Responsibility	585	56
CUE Inspection Expenses	2,198	-
Disability & Gender Mainstreaming	80	-
Examination Materials	1,308	80
External Examiners	860	-
External Travels & Accommodation	67	-
Facilitation Fees	376	-
Farm Expense	983	10
Fuel & Lubricants	1,788	1,200
Fumigation	144	-
HIV/Aids Expense	295	-
Internet Charges	4,101	2,704
ISO Certification	223	-
Laboratory Material Expense	791	-
Library expenses	290	308
Management & Academic Board Expense	849	439
Office Expenses	176	1,071
Payment of Medical Bills	2,553	-
Performance Contracting Services	988	-
Postal and courier expenses	48	14
Printing & Publications	163	574
Professional & Legal services	25	87
Property Insurance Expenses	5,861	1,669
Purchase of Catering Items	5,963	6,791
Purchase of Medical Drugs	1,808	1,516
Purchase of Stationary	4,392	2,978
Recruitment, Appointments and Promotions	237	-
Rent, Rates & Leases	187	153
Research & Enterprise Development Expenses	910	-
Sanitary Services Expenses	75	-
Security Services	5,504	2,457
SGC Elections & Training	345	-
Staff Training & Development	2,811	-
Seminars & Conference	362	513
Staff Uniform & protective gears	310	107

Student Activity Expenses	1,859	1,497
Subscriptions, License & Affiliation Expenses	367	305
Teaching Materials	520	3,237
Teaching Practice & Industrial Attachment	3,048	1,123
Tender Expenses	124	104
Travelling & Accommodation expenses	4,928	3,972
Tuition Fee Waiver Expenses	120	-
Sport Equipment	77	-
Student Debtor-Write off	22	-
Provision for Audit Fees	800	1,000
Stock Write off	22	-
Provision for Doubtful Debt (10% of Student Debtors)	2,868	-
Provision for Gratuity	7,400	-
Admission Expenses	-	22
Provision for Taxes	-	639
Strategic planning & training	-	2,090
Special Project	-	1,051
Total Operating & Administrative Expense	<u>77,902</u>	<u>42,846</u>

10. Repairs and maintenance

	2017/18 KES '000'	2016/17 KES '000'
Maintenance of Buildings & Stations	547	2,761
Maintenance of Computers & Other Electronics	1,933	1,866
Maintenance of Hostel Facilities	4	207
Maintenance of Motor Vehicles	1,879	839
Maintenance of Plant & Equipment	1,440	39
Total repairs and maintenance	<u>5,802</u>	<u>5,711</u>

11 Depreciation and amortization expense

	2017/18 KES '000'	2016/17 KES '000'
Property, plant and equipment	13,750	4,173
Total depreciation and amortization	<u>13,415</u>	<u>4,173</u>

12. Cash and cash equivalents

	2017/18 KES '000'	2016/17 KES '000'
Co-Op Pssp Fees A/C-1129698477700	6,846	2,100
Equity Kuceps Fees - 960271081548	1,234	7,569
KCB Savings A/C MMUST-Kaimosi- 1164385291	881	7,763
KCB Savings A/C Kafuco Deposit -120373506519,	17,278	594
KCB Kafuco Capital Dev A/C-1203709862	66,308	118,107
KCB-Kafuco Payments A/C-1203735030	6,617	8,954
Cash in hand	-	6
Total cash and cash equivalents	<u>99,164</u>	<u>145,094</u>

13. Receivables from exchange transactions

	2017/18 KES '000'	2016/17 KES '000'
Student Debtors	21,746	12,052
MMUST HELB/CDF	5,696	-
HELB	1,665	-
Less: Provision for Doubtful Debt 10%	<u>2,911</u>	<u>-</u>
Total current receivables	<u>26,197</u>	<u>12,052</u>

14. Receivables from non-exchange Transactions

	2017/18 KES '000'	2016/17 KES '000'
Staff Imprest Debtors	<u>2,428</u>	<u>1,696</u>
Total current receivables	<u>2,428</u>	<u>1,696</u>

15. Inventories

	2017/18 KES '000'	2016/17 KES '000'
Central Stores	1,095	4,340
Medical Drug Stores	2,113	725
Maintenance Store	699	916
Games & Sports Store	688	765
Teaching Lab Store	<u>3,200</u>	<u>-</u>
Total inventories	<u>7,795</u>	<u>6,745</u>

Total inventories at the lower of cost and net realizable value

16. Property, plant and equipment

16. Property, plant and equipment	Motor vehicles	Furniture, fittings & equipment	Computers	Plant and machinery	Capital In Progress	Total
Cost	KES '000'	KES '000'	KES '000'	KES '000'	KES '000'	KES '000'
At 1 July 2016	-	6,089	406	855	-	7,350
Additions	34,395	2,882	5,091	5,241	52,994	100,603
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
At June 2017	34,395	8,971	5,498	6,095	52,994	107,953
Additions	-	1,979	2,194	5,633	96,260	106,066
Disposals	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-
At end of year - June 2018	34,395	10,950	7,691	11,728	149,254	214,019
Depreciation and impairment						
At 1 July 2016	-	-	-	-	-	-
Depreciation	-	1,121	1,832	1,219	-	4,173
On Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
At 30 June 2017	-	1,121	1,832	1,219	-	4,173
Depreciation	8,599	1,369	2,563	1,219	-	13,750
On Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-
At 30 June 2018	8,599	2,490	4,396	2,438	-	17,923
Net book values						
At 30 June 2018	25,796	8,460	3,295	9,290	149,254	196,096
At 30 June 2017	34,395	7,850	3,665	4,876	52,994	103,780

17. Biological Assets

	2017/18 KES '000'	2016/17 KES '000'
Cows	480	-
Total Biological Assets	480	-

18. Trade and other payables from exchange transactions

	2017/18 KES '000'	2016/17 KES '000'
Trade payables	21,516	22,743
Third-party payments	-	8,640
WHT- VAT, Corp & Related	1,789	-
Retention Fees	12,726	5,299
Total trade and other payables	36,031	36,683

The carrying amounts of the above trade and other payables approximate their fair values.

19. Employee Benefit Obligations

	2017/18 KES '000'	2016/17 KES '000'
Pension	-	1,506
SACCOS	-	1,831
NSSF	-	19
PAYE	-	926
Total Employee Benefit Obligations	-	4,283

20. Payments received in advance

	2017/18 KES '000'	2016/17 KES '000'
Fee prepayments	2,886	-
Total Payment Received in Advance	2,862	-

21. Special Accounts & Grant

	2017/18 KES '000'	2016/17 KES '000'
HELB Loan Fund	268	-
CDF/Sponsorship	1,521	-
Total Special Accounts & Grants	1,789	-

22. Refundable deposits from customers

	2017/18 KES '000'	2016/17 KES '000'
Consumer deposits (Caution Money)	1,780	1,149
Other deposits	-	-
Total deposits	1,780	1,149

23) Provisions

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

Where the Entity 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.

Provisions were raised in this Financial Year are as below.

	Particulars	KES '000'
i.	Provision for Gratuity	7,400
ii.	Audit Fees	800
iii.	Provision for Doubtful Debt of 10%	2,911

Contingent liabilities

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

Contingent assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity 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.

APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITORS RECOMMENDATION

The auditing process for financial year 2016/17 accounts is ongoing, we will provide follow up on issues from the auditor when the process is complete. The FY 2016/17 was our first year of auditing and thus no other pending issues from the Office of Auditor General.

APPENDIX II: PROJECTS IMPLEMENTATION BY THE ENTITY

Summary of Major projects (Ongoing and Complete) as at 30.06.2018

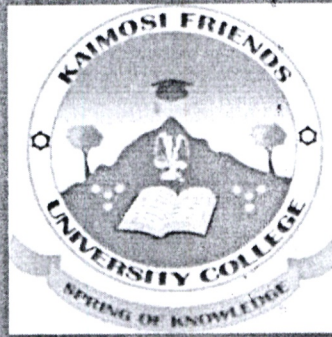
S/No	Project Name	Cost of Project or Contract Value (KES)	Actual cumulative expenditure	Timeline			Actual project status	Progress Status
				Start	Expected completion date	Revised Completion date		
	Ongoing							
1.	Proposed Construction of Tuition Block and Associated Works KAFUCO/EST/01/16-17	159,655,770	62,838,023	24.01.2017	30.11.2017	30.05.2018	33.99%	On going
2.	Proposed Construction of Library Extension and Associated Works KAFUCO/EST/05/16-17	16,199,570	14,786,910	06.02.2017	05.02.2018	24.05.2018	93.28%	On going
	Proposed Construction of Library Extension Phase II KAFUCO/EST/02/17-18							
3	Proposed Construction of Gate, Road works and Associated Works KAFUCO/EST/01/17-18	24,007,750	9,607,920	06.10.2017	05.06.2018	None	42.02%	On going
4.	Proposed Removal Of Asbestos And Re-Roofing And Associated Works At Kaimosi Friends University College – Lot I KAFUCO/EST/04/17-18	5,118,400	00.00	30.05.2018	08.08.2018	None	00%	..
5.	Proposed Removal Of Asbestos And Re-Roofing And Associated Works At Kaimosi Friends University College – Lot II KAFUCO/EST/05/17-18	4,135,950	00.00	30.05.2018	08.08.2018	None	00%	..
6.	Proposed Removal Of Asbestos And Re-Roofing And Associated Works At Kaimosi Friends University College – Lot III KAFUCO/EST/06/17-18	4,286,610	00.00	30.05.2018	08.08.2018	None	00%	..
7.	Proposed Removal Of Asbestos And Re-Roofing And Associated Works At Kaimosi Friends University College – Lot IV KAFUCO/EST/07/17-18	4,977,450	00.00	30.05.2018	08.08.2018	None	00%	..
	Practically Complete Projects							

8.	Proposed Renovation of Governor's Hall and Associated Works KAFUCO/EST/03/17-18	3,384,200	2,617,547	30.10.2017	15.01.2018		99.92%	Practically complete
9.	Proposed Construction Of 2No. Students Ablution Block KAFUCO/EST/08/16-17	14,917,160	14,564,060	16.06.2017	26.10.2017		98.91%	Practically complete
10.	Proposed Pressed Low Level Steel Water Tank KAFUCO/EST/09/16-17	8,983,232	11,051,472	20.06.2017.	26.10.2017		97.13%	Practically complete
11.	Proposed Construction Of Staff Ablution Block And Refurbishing Of Existing Washrooms	3,670,230	3,303,207	03.04.2017	15.07.2017		100%	Complete
12.	Proposed Construction Kitchen Dining Hall	4,475,870	4,028,283	28.12.2016	13.03.2017		100%	Complete

**APPENDIX III: INTER-ENTITY TRANSFERS
KAIMOSI FRIENDS UNIVERSITY COLLEGE**

Break down of Transfers from the State Department of Education & Research Financial Year 2017/2018

a Recurrent Grants		
Bank Statement Date	Amount (KES)	Indicate the FY to Which the Amounts relate
1-Aug-17	15,061,546.00	2017/18
4-Sep-17	15,061,546.00	2017/18
3-Oct-17	15,061,544.00	2017/18
3-Nov-17	15,061,546.00	2017/18
1-Dec-17	8,333,333.00	2017/18
1-Dec-17	15,061,546.00	2017/18
2-Jan-18	1,666,667.00	2017/18
2-Jan-18	15,061,545.00	2017/18
8-Feb-18	1,666,667.00	2017/18
8-Feb-18	15,061,546.00	2017/18
13-Mar-18	1,666,667.00	2017/18
13-Mar-18	15,061,546.00	2017/18
6-Apr-18	1,666,667.00	2017/18
13-Apr-18	15,061,546.00	2017/18
2-May-18	1,666,667.00	2017/18
2-May-18	15,061,546.00	2017/18
11-Jun-18	1,666,667.00	2017/18
11-Jun-18	15,061,546.00	2017/18
28-Jun-18	1,666,667.00	2017/18
28-Jun-18	15,061,546.00	2017/18
TOTAL	200,738,551.00	
b Development Grants		
Bank Statement Date	Amount (KES)	Indicate the FY to Which the Amounts relate
17-Apr-18	31,875,000.00	2017/18
22-Jun-18	4,462,500.00	2017/18
TOTAL	36,337,500.00	
The above amounts have been communicated to and reconciled with the parent ministry		
.....	
Head of Finance	Head of Accounting Unit	
Kaimosi Friends University College	Ministry of Education, Science & Technology	



KAIMOSI FRIENDS UNIVERSITY COLLEGE

(A Constituent College of Masinde Muliro University of Science and Technology)



ANNUAL REPORT & FINANCIAL STATEMENTS TO JUNE 30, 2013

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