



**KIMATHI UNIVERSITY COLLEGE OF
TECHNOLOGY**



**REPORT OF THE
AUDITOR GENERAL**

ON

**THE FINANCIAL STATEMENTS OF
FOR THE YEAR ENDED 30 JUNE 2012**



KIMATHI UNIVERSITY COLLEGE OF TECHNOLOGY

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Financial Statement for the Year ended 30th June 2012



Better Life Through Technology



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PRINCIPAL OFFICERS OF KIMATHI UNIVERSITY COLLEGE OF TECHNOLOGY

- | | |
|----------------------------|--------------------------------------|
| 1) Prof. P. Ndirangu Kioni | Principal |
| 2) Prof. Moses K. Gachari | Deputy Principal A. & F. |
| 3) Prof. Gerald Muthakia | Deputy Principal A. A. |
| 4) Mr. Anthony Wachira | Finance Officer |
| 5) Mr. Fredrick Otike | Librarian |
| 6) Mr. John kamunga | Director, Town Campus. |
| 7) Dr. P. N. Muchiri | Director, Nairobi Town Campus |
| 8) Dr. James Keraita | Ag. Dean, School Of Engineering |
| 9) Mr. Paul K. Mbote | Ag. Deputy Registrar A. & A. |
| 10) Mr. Andrew Muriuki | Deputy Registrar A. & F. |
| 11) Mr. Muriithi Kaimoe | Ag. Dean, School Of Business. |
| 12) Mr. Patrick Ndungu | Ag. Dean, School Of Computer Science |

GENERAL INFORMATION

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Kimathi University College of Technology
Along Nyeri Mweiga road
P. O. Box 657, Nyeri.

BANKERS

- | | |
|--|---|
| 1) Consolidated Bank Nyeri Branch
P.O. Box 935-10100, Nyeri-Kenya | 3) Kenya Commercial Bank Nyeri Branch
P.O. Box 215-10100, Nyeri-Kenya. |
| 2) Standard Chartered Bank Nyeri Branch
P.O. Box 1-10100, Nyeri-Kenya | 4) Equity Bank Nyeri Branch
P.O. Box75104-10100, Nyeri-Kenya. |

AUDITORS

Auditor General
Kenya National Audit Office
P.O. Box 30084-00100, Nairobi.

LEGAL OFFICER

Nelius Mwangi

LOCATION

Kimathi University College is located 6 Km from Nyeri town along Nyeri Mweiga road.



COUNCIL MEMBERS

1. Mr. David Wachira - Chairman
2. Justus Mutiga - Vice Chairman
3. Prof. Crispus Kiamba - PS MOHEST
4. Mr. Joseph Kinyua - PS Treasury
5. Prof. Mabel Imbuga - Chancellor JKUAT
6. Ms. Wahu Kaara - Member
7. Ms. Jane Kiringai - Member
8. Mr. Ishard Ibrahim - Member
9. Eng. Jacqueline Musyoki - Member
10. Amb. Steven Arphazard Loyatum - Member
11. Prof. P.N Kioni - Principal
12. Prof. Moses Gachari - Deputy Principal (A&F)
13. Prof. Gerald Muthakia - Deputy principal (A.A)
14. Mr. Anthony Wachira - Finance Officer
15. Mrs Rosemary Kagonde - Academic Board Representative
16. Mr. Patrick Ndung'u - Academic Board Representative
17. Mr. Reuben Ndung'u - Academic staff representative
18. Mr. Kelvin Oganga - Students leader



Mr. David Wachira
Chairman



Justus Mutiga
Vice Chairman



Prof. Crispus Kiamba
PS MOHEST



Mr. Joseph Kinyua
PS Treasury



Prof. Mabel Imbuga
Chancellor JKUAT



Wahu Kaara
Member



Jane Kiringai
Member



Ishard Ibrahim
Member



Eng Jacqueline Musyoki
Member



Amb. Steven A. Loyatun
Member



Prof. P.N Kioni
(Principal KUCT)



Prof. Moses Gachari
Deputy Principal (A&F)



Prof. Gerald Muthakia
Deputy principal (AA)



Mr. Anthony Wachira
Finance Officer



Mrs. Rosemary Kagundu
Academic Board Rep.



Mr. Patrick Ndung'u
Academic Board Rep.



Mr. Reuben Ndung'u
Academic staff Rep.



Mr. Kelvin Oganga
Students leader



CORE BUSINESS OF THE UNIVERSITY

The main objective of the University is stipulated in the Legal Notice no 162 of July 2007. Part II section 4(1) of legal notice provides the functions and objectives of the University which include:

- a) To provide directly, or in collaboration with other institutions of higher learning, facilities for university education (including technological, scientific and professional education) the integration of teaching research and effective application of knowledge and skills to the life work and welfare of the citizens of Kenya.
- b) To participate in the discovery transmission and preservation and enhancement of knowledge and to stimulate in the economic, social, cultural, scientific and technological development of Kenya.
- c) To provide and advance university education and training to appropriately qualified candidates, leading to the conferment of degrees and award of diplomas and certificates and such other qualifications as the council and the senate shall from time to time determine and in so doing contribute to manpower needs;
- d) To conduct examinations for such academic awards as may be provided in the statutes pertaining to the university college; and
- e) To examine and make proposals for new faculties, schools, institutes departments, resource and research centers, degree courses and subjects of study.



CHAIRMAN'S STATEMENT

The demand for higher education in the country has continued to rise prompting the University to continually review its programmes in line with the market demand. The University will continue to reposition its main brands within the context of market requirements, customer satisfaction and cost rationalization. The need to meet this objective over years has remained the central focus of the University council.

Since inception, the University growth and expansion policy continue to focus on product diversification. Our current management focuses on expansion of the University while maintaining quality in line with our vision of being a premier technological University excelling in quality training, research and technology transfer.

In line with the GOK policy, the University has increased access to higher education through additional admission of students. This in effect has led to increase in operation costs and need for more physical facilities. The university has continued to improve on its existing facilities and adding new ones using the already constrained resources.

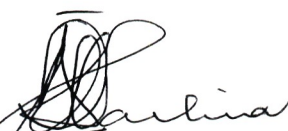
Corporate Governance and Ethics

The council is responsible for the governance of the University and is accountable to the Citizens of this country for ensuring that the University complies with the Law and maintain the highest standard of corporate governance, academic standards and ethics

The council attaches great importance to the need to conduct the activities and operations of the University with Integrity, Social fairness and transparency.

Appreciation

Finally, I want to thank the Kenya Government and other organizations for the support they have continued to offer the University. On behalf of the Council, I thank the University staff for their dedication and commitment to the University.



Mr. David Wachira
CHAIRMAN OF THE UNIVERSITY COUNCIL



PRINCIPAL'S REPORT FOR THE YEAR ENDED 30TH JUNE 2012

I have the pleasure to present the annual report and accounts for Kimathi University College for the year ended 30th June, 2012

1. FINANCES:

The University College started the year with a cash balance of Kshs. (5,039,814) and was allocated Kshs. 357,165,207 by the Government during the year under review. The University College managed to collect Kshs. 335,162,203 in tuition and other charges and Kshs. 32,685,931 from the small income generating activities it is trying to establish. In total therefore, the University College had Kshs. 725,013,341 at its disposal during the year for its recurrent expenditures.

The University College was allocated Kshs. 310,000,000 by the Government for its capital projects during the year.

2. ACADEMIC PROGRAMMES:

During the year under review, the University College has embarked developing a number of academic programmes including PHD, Masters, Bachelor's, diplomas and Certificate Courses

The University has also embarked on an intensive marketing programme to increase the student's population.

3. CONCLUSION:

I would like to take this opportunity to thank Council for the support it has been giving to the Management Board and for its visionary direction in the development of this new institution of higher learning.

I would also like to thank the Government for its support throughout the year under review and also appeal for more support especially for purposes of establishing suitable facilities required by a University of Technology.

Last but not least, I would like to thank staff and students for their continued cooperation in this difficult task of building a new University of Technology. And look forward to their cooperation and enthusiastic participation in the future development of the University.

Prof. P. N. Kioni Ph.D, R.Eng

PRINCIPAL



STATEMENT OF THE COUNCIL MEMBERS RESPONSIBILITIES

On the Financial Statements for the year ended 30th June 2012

The Kimathi University College of Technology order, 2007 requires University College Council to prepare statements for each financial year, which give a true and fair view of the state of affairs of the University College at the end of the financial year and its operating results for that year. It also requires the council to ensure that the University College keeps proper accounting records, which disclose, with reasonable accuracy, the financial position of the University College. The University Council is also responsible for safeguarding the Assets of the University College.

The University College Council accepts the responsibility for the financial statement, which has been prepared using appropriated accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Accounting Standards. The University College Council is of the opinion that the statements give a true and fair view of the state of the financial affairs of the University College at 30th June 2012 and of its operating results. The University College Council further accepts responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statement, as well as adequate systems of Internal Financial Control.

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

This statement is approved by the University College Council and is signed on its behalf by:

Signed by:

Chairman of the Council


Principal KUCT






AUDITORS REPORT



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF KIMATHI UNIVERSITY COLLEGE OF TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2012

I have audited the accompanying financial statements of Kimathi University College of Technology set out at pages 13 to 28, which comprise the Statement of Financial Position as at 30 June 2012, and the Statement of Comprehensive Income, Statement of Changes in accumulated Funds and Reserves and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 15 of the Public Audit Act, 2003. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit



be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the University as at 30 June 2012, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Kimathi University College of Technology Order, 2007.

Edward R.O. Ouko

AUDITOR -GENERAL

Nairobi

11 December 2012



Financial Statements



FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2012

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2012

		<u>2011/2012</u>	<u>2010/2011</u>
		<u>KSHS</u>	<u>KSHS</u>
<u>NON-CURRENT ASSETS</u>			
	NOTE		
Property Plant and Equipments	2	1,757,946,256	1,432,995,865
Investments	4	1,301,770	1,301,770
Biological assets	5	<u>7,211,150</u>	<u>6,307,600</u>
		1,766,459,176	1,440,605,235
<u>CURRENT ASSETS</u>			
Inventories	6	2,520,999	3,033,059
Trade and other receivables	7	151,468,081	116,159,657
Cash & Bank Balances	8	<u>18,713,797</u>	<u>60,012,156</u>
		172,702,877	179,204,872
<u>TOTAL ASSETS</u>		<u>1,939,162,053</u>	<u>1,619,810,107</u>
<u>FUNDS , RESERVES AND LIABILITIES</u>			
FUNDS			
Capital fund	9	948,657,122	638,657,122
Reserve fund	10	241,460,641	221,208,627
Revaluation reserve	11	<u>588,962,938</u>	<u>588,962,938</u>
		1,779,080,701	1,448,828,687
<u>CURRENT LIABILITIES</u>			
Trade and other payables	12	160,081,352	105,929,450
Bank overdraft	13	<u>-</u>	<u>65,051,970</u>
		160,081,352	170,981,420
<u>TOTAL FUNDS , RESERVES AND LIABILITIES</u>		<u>1,939,162,053</u>	<u>1,619,810,107</u>

Prof. Paul Kioni
PRINCIPAL

Mr. Anthony Wachira
FINANCE OFFICER

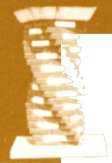


STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2012

<u>INCOME</u>	<u>NOTE</u>	<u>2011/2012</u> <u>KSHS</u>	<u>2010/2011</u> <u>KSHS</u>
Ministry grant - Recurrent	15	357,165,207	277,947,699
- Special	15	-	44,287,920
Tuition & other fees	14	335,162,203	230,678,902
Other income	16	<u>32,685,931</u>	<u>17,597,288</u>
TOTAL		725,013,341	570,511,809
 <u>LESS EXPENDITURE</u>			
Personnel cost	17	441,484,767	315,844,784
Central services	18	143,168,672	104,793,651
Council allowance	19	4,953,168	5,982,329
Maintenance cost	20	23,975,646	25,811,057
Student welfare	21	7,329,518	4,822,645
Academic costs	22	23,409,089	37,444,814
Administrative cost	23	<u>17,513,346</u>	<u>14,336,949</u>
EXPENDITURE		661,834,206	509,036,229
Add provision for depreciation	2	39,677,155	41,624,273
Add provision for Audit Fee		<u>750,000</u>	<u>750,000</u>
TOTAL EXPENDITURE		702,261,361	551,410,502
Farm profit/loss	Page 14	<u>(2,499,965)</u>	<u>(4,059,518)</u>
SURPLUS/DEFICIT		<u>20,252,015</u>	<u>15,041,789</u>

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE 2012

	<u>2011/2012</u> <u>KSHS</u>	<u>2010/2011</u> <u>KSHS</u>
Surplus/(Deficit) for the period	20,252,015	15,041,789
Adjustment for:		
Gain on disposal	885,875	
Depreciation	<u>39,677,155</u>	<u>37,160,874</u>
	60,815,045	52,202,663
<u>Change in working capital</u>		
Increase/(decrease) in inventories	512,060	(1,968,975)
Increase/(decrease) in receivables	(35,308,424)	(62,232,347)
Increase/(decrease) in payables	<u>54,151,902</u>	<u>49,391,368</u>
Net cash generated from operating activities	19,355,538	(14,809,954)
<u>Cash flow from investing activities</u>		
Purchase of Machinery	(2,316,280)	(1,443,726)
Purchase of motor vehicles	(6,250,300)	(6,379,000)
Motor vehicle disposal	2,657,625	
Purchase of computers	(9,831,229)	(16,905,230)
Purchase of furnitures	(19,895,720)	(98,752,322)
Work in progress	(329,877,518)	(261,869,347)
Biological assets	<u>(903,550)</u>	<u>715,400</u>
Net cash used in investing activities	(366,416,972)	(384,634,225)
<u>Cash flow from financing activities</u>		
Capital fund	310,000,000	220,000,000
Loan repayments	<u>-</u>	<u>(4,507,827)</u>
	310,000,000	215,492,173
Net change in cash and cash equivalent	23,753,611	(142,163,942)
Opening cash and cash equivalent	<u>(5,039,814)</u>	<u>137,124,128</u>
Closing cash and cash equivalent	<u>18,713,797</u>	<u>(5,039,814)</u>



**STATEMENT OF CHANGE IN FUNDS & RESERVES
FOR THE YEAR ENDED 30TH JUNE 2012**

	<u>ACCUMULATED</u> <u>FUND</u>	<u>REVALUATION</u> <u>RESERVE</u>	<u>RESERVE</u> <u>FUND</u>	<u>TOTAL</u>
Balance as at 30/6/2010	418,657,122	588,962,938	206,166,838	1,213,786,898
Additions in the year	220,000,000	-	-	282,936,793
surplus/deficit	-	-	15,041,789	15,041,789
As at 30/06/2011	<u>638,657,122</u>	<u>588,962,938</u>	<u>221,208,627</u>	<u>1,448,828,687</u>
Balance as at 30/6/2011	638,657,122	588,962,938	221,208,627	1,448,828,687
Additions in the year	310,000,000			310,000,000
surplus/deficit	-	-	20,252,015	20,252,015
As at 30/06/2012	<u>948,657,122</u>	<u>588,962,938</u>	<u>241,460,641</u>	<u>1,779,080,701</u>



FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2012

FARM TRADING ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012

	<u>NOTE</u>	<u>2011/2012</u> <u>KSHS</u>	<u>2010/2011</u> <u>KSHS</u>
Gross sales income	24	<u>17,346,998</u>	<u>7,781,005</u>
		17,346,998	7,781,005
LESS COST OF SALES			
Stock 1/7/2011		3,033,059	1,064,084
Add			
Labour costs	25	15,163,071	7,682,919
Direct materials	26	<u>773,243</u>	<u>2,106,160</u>
		18,969,373	10,853,163
Less stock 30/6/2012		2,520,999	3,033,059
Cost of sales		<u>16,448,374</u>	<u>7,820,104</u>
Gross profit/ Loss		898,624	(39,099)
Less cattle overhead	27	1,314,450	1,063,213
Less overhead expenses	28	<u>2,084,139</u>	<u>2,957,206</u>
Net farm profit/ Loss		<u>(2,499,965)</u>	<u>(4,059,518)</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012****ACCOUNTING POLICIES:****a) BASIS OF ACCOUNTING**

The accounts have been prepared under the International Financial Reporting standards.

b) FIXED ASSET AND DEPRECIATION

Fixed assets have been depreciated on the reducing balance method to write off the costs of the assets over their useful lives at the following rates:

Land	Nil
Building	2%
Tractor	37.5%
Motor vehicle	25%
Computer	30%
Plant and machinery	12.5%
Furniture and fittings	12.5%
Equipment	12.5%

c) STOCKS

Livestock is stated at the management committee's valuation. Other stocks are stated at lower of cost and net realizable value.

d) SALES

Sales represent the invoiced value of goods supplied by the farm during the year

e) FOREIGN CURRENCY TRANSACTIONS

Transactions during the year in foreign currency are converted into Kenya shillings at the rates ruling on the transactions date.

FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2012

MOVEMENT OF FIXED ASSET AS AT 30 JUNE 2012

PROPERTY, PLANT & EQUIPMENTS

Note 2

	LAND	BUILDING	MOTOR VEHICLES	COMPUTER & ACCESSORIES	PLANT & MACHINERY	TRACTOR & EQUIPMENTS	WORK IN PROGRESS	TOTAL
VALUATION AS AT 30/6/2011	435,000,000	145,000,000	49,510,693	49,916,278	21,804,486	5,000,000	686,078,324	1,520,348,092
ADDITIONS IN THE PERIOD	-	-	6,250,300	9,831,229	2,316,280	19,895,720	329,877,518	368,171,047
DISPOSAL IN THE PERIOD	-	-	(3,543,500)	-	-	-	-	(3,543,500)
AS AT 30/6/2012	<u>435,000,000</u>	<u>145,000,000</u>	<u>52,217,493</u>	<u>59,747,507</u>	<u>24,120,766</u>	<u>5,000,000</u>	<u>1,015,955,842</u>	<u>1,884,975,639</u>
DEPRECIATION AS AT 30/6/2011	-	9,611,640	26,093,462	20,481,002	6,876,719	3,310,621	-	87,352,228
DEPRECIATION OF DISPOSED ASSET	-	-	(885,875)	-	-	-	-	(885,875)
CHARGE FOR THE PERIOD	-	2,707,767	6,531,008	11,779,952	2,155,506	633,517	-	39,677,155
AS AT 30/6/2012	-	12,319,407	31,738,595	32,260,953	9,032,225	3,944,138	-	126,143,508
Net Book Value AS AT 30-6-2012	<u>435,000,000</u>	<u>132,680,593</u>	<u>19,593,024</u>	<u>27,486,554</u>	<u>15,088,541</u>	<u>1,055,862</u>	<u>1,015,955,842</u>	<u>1,757,946,256</u>
Net Book Value AS AT 30-6-2011	<u>435,000,000</u>	<u>135,388,360</u>	<u>23,417,231</u>	<u>29,435,272</u>	<u>14,927,767</u>	<u>1,689,379</u>	<u>686,078,324</u>	<u>1,432,995,865</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

3 WORK-IN-PROGRESS	BAL B/F	ADDITIONS	RETENTION	TOTAL
Resource centre I	183,010,094	15,059,026		198,069,120
Resource centre II	161,578,363	2,400,786		163,979,149
Workshops	150,586,985	24,604,934		175,191,919
Hostels	31,885,124			31,885,124
Oxidation ponds	35,512,914			35,512,914
Academic Block P1	-	147,166,306	13,846,402	161,012,708
Sports field	13,006,148	2,935,860		15,942,008
Trunk sewer	34,065,618			34,065,618
Conservancy		6,208,411		6,208,411
Dining Hall	61,403,124	64,743,288	6,435,330	132,581,742
Covered Walkway	5,812,464			5,812,464
Fibre Optic		2,445,645		2,445,645
link Road	9,217,490	40,147,262	1,199,873	50,564,625
Farm projects	-	2,684,395	-	2,684,395
Bal c/d	<u>686,078,324</u>	<u>308,395,913</u>	<u>21,481,605</u>	<u>1,015,955,842</u>

4 INVESTMENT	2011/2012	2010/2011
i) One (1) ordinary shares of Ksh 20.00 in Kenya Farmers Association	20	20
ii) 130175 redeemable ordinary shares of ksh 10.00 each with Kenya Planters Co-operative Union Ltd.	<u>1,301,770</u>	<u>1,301,770</u>
	<u>1,301,770</u>	<u>1,301,770</u>

Kenya planters co-operative union Limited is under receivership

5 BIOLOGICAL ASSETS	2010/2012	2009/2011
i) Livestock	1,791,000	1,125,000
ii) Coffee trees		
Number of Coffee trees 108,403 @ 50.00	<u>5,420,150</u>	<u>5,182,600</u>
Total	<u>7,211,150</u>	<u>6,307,600</u>
This was at net realisable value		

6 INVENTORY	2011/2012	2010/2011
Farm stocks	<u>2,520,999.00</u>	<u>3,033,059.00</u>

NB. Stationaries are expensed as they are purchased hence no stock at the end of the year.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

7 <u>TRADE AND OTHER RECEIVABLES</u>	<u>2011/2012</u>	<u>2010/2011</u>
Student debtors	36,248,239	15,501,581
K.P.L.C. deposits	2,028,350	640,350
Staff housing rent arrears	-	58,600
Sundry debtors	197,500	659,600
Farm debtors (coffee sales)	249,334	5,769,181
Council Sitting allowance recoveries	260,000	-
Staff debtors	6,242,399	3,409,477
Prepayment	5,145,169	-
Investment on KUCT farm	21,716,727	-
MOHEST	76,395,199	87,135,704
V.A.T. arrears	<u>2,985,164</u>	<u>2,985,164</u>
Totals	<u>151,468,081</u>	<u>116,159,657</u>

8 CASH AND BANK BALANCES

Standard chartered bank

	<u>A/C NO</u>	<u>2011/2012</u>	<u>2010/2011</u>
		<u>AMOUNT</u>	<u>AMOUNT</u>
Nyeri town campus A/C	0102045131200	3,508,023	1,153,916
Premium investment A/C	0102045131201	3,157,496	317,622
KUCT Farm Operating A/C	0102045131202	926,124	406,233
KUCT Fee collection A/C	0102045131203	733,250	2,019,178

Consolidated bank

KUCT Payment main A/C	0120025172900	3,741,830	-
KUCT Fee collection A/C	0120025172901	5,171,797	51,219,403
KUCT Bursary A/C	0120325312600	971,212	788,672
KUCT Economic Stimulus	0130225373700	335,928	165,986

Kenya comercial bank

KUCT Fee collection A/C	1121318274	62,866	2,354,092
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Equity bank

KUCT Fee collection A/C	1150297300480	92,112	311,000
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Cash balances		<u>13,159</u>	<u>1,276,054</u>
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Total balance		<u>18,713,797</u>	<u>60,012,156</u>
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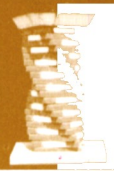


NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

9 CAPITAL FUND	<u>2011/2012</u>	<u>2010/2011</u>
Bal as at 1/7/2011	638,657,122	418,657,122
Development fund	<u>310,000,000</u>	<u>220,000,000</u>
	<u>948,657,122</u>	<u>638,657,122</u>
10 RESERVE FUND	<u>2011/2012</u>	<u>2010/2011</u>
Bal as at 1/7/2011	221,208,627	206,166,838
Surplus/loss for the period	<u>20,252,015</u>	<u>15,041,789</u>
	<u>241,460,642</u>	<u>221,208,627</u>
11 REVALUATION ACCOUNTS	<u>2011/2012</u>	<u>2010/2011</u>
Bal as at 1/7/2010	<u>588,962,938</u>	<u>588,962,938</u>
	<u>588,962,938</u>	<u>588,962,938</u>
12 TRADE AND OTHER PAYABLES	<u>2011/2012</u>	<u>2010/2011</u>
Student creditors	15,915,027	4,230,050
Trade Creditors	118,032,068	71,398,041
Research fund	3,902,652	
Provision for audit fees	750,000	750,000
Capital Development Retention Funds	<u>21,481,605</u>	<u>29,551,359</u>
Total	<u>160,081,352</u>	<u>105,929,450</u>
NB. The retention money amount is accumulated figure since the projects started.		
13 BANK OVERDRAFT	<u>2011/2012</u>	<u>2010/2011</u>
	<u>-</u>	<u>65,051,970</u>
	<u>-</u>	<u>65,051,970</u>
14 TUITION AND OTHER FEES	<u>2011/2012</u>	<u>2010/2011</u>
	<u>335,162,203</u>	<u>230,678,902</u>
	<u>335,162,203</u>	<u>230,678,902</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

<u>INCOME</u>	<u>2011/2012</u> <u>KSHS</u>	<u>2010/2011</u> <u>KSHS</u>
16 CAPITATION GRANT		
Ministry grant – Recurrent	357,165,207	277,947,699
- Special		44,287,920
17 OTHER INCOMES		
Sale of admission forms	369,828	2,851,652
Sale of tenders forms	1,592,300	1,720,290
Rent	557,400	186,000
Miscellaneous income	3,872,636	-
Research Grants	4,376,852	-
Gain on disposal	885,875	
Interest on KUCT farm investment	2,069,896	-
Kitchen sales	<u>18,961,144</u>	<u>12,839,346</u>
TOTAL INCOME	32,685,931	17,597,288
18 PERSONNEL COSTS		
Salaries	144,039,733	145,830,904
Casual workers	26,996,534	24,932,655
Part time teaching	76,319,218	28,541,045
Gratuity and pension	24,842,634	15,047,440
House to Office allowance	24,060,725	17,900,784
Other personal allowances	33,078,943	926,178
Group life (pension) insurance	228,386	748,672
House allowances	110,347,441	81,917,106
Leave allowance	<u>1,571,153</u>	<u>-</u>
	441,484,767	315,844,784
19 CENTRAL SERVICES		
Electricity expenses	12,695,785	11,029,704
Water expenses	6,007,348	4,537,423
Misc. other charges	542,518	227,351
Vehicle licenses & insurance	3,740,159	414,118
Insurance premiums	939,602	2,457,905
Vehicle fuel and oil	10,292,272	10,532,433
Publishing & Printing	2,870,029	3,838,638
Advertising and Publicity	12,361,944	12,879,664
Telephone expenses	1,884,124	1,380,759
Postal expenses	572,675	181,442
Bank charges/ interest	1,798,646	1,529,307
Purchase of uniforms	663,491	485,460
Conferences and seminars	3,425,907	2,925,445
Public celebrations/Demise	1,514,405	315,814



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

	<u>2011/2012</u>	<u>2010/2011</u>
	<u>KSHS</u>	<u>KSHS</u>
Medical expenses	12,970,372	6,423,352
University Public Functions	1,410,125	777,248
Contracted professional services	2,103,676	1,522,699
Catering	21,706,690	15,634,822
Cleaning materials	2,313,746	1,763,941
Set up of ICT infrastructure	12,703,556	4,551,180
External travelling	3,731,282	1,712,260
Gas and fuel	214,516	38,820
Training expenses	3,122,793	2,365,661
Subscription to professional bodies	206,095	87,135
Exhibition	1,303,200	1,848,220
Security services	3,676,550	4,380,670
Book shop expenses	100,000	-
Booked meals	2,312,920	1,094,400
Town campus Expenses	8,112,481	7,736,948
Nairobi Campus Expenses	3,882,827	1,216,817
Performance Contract	563,860	49,774
Show Expenses	1,872,990	106,620
Linkages	35,500	-
Newspapers	<u>1,516,588</u>	<u>747,621</u>
	143,168,672	104,793,651
	<u>2011/2012</u>	<u>2010/2011</u>
	<u>KSHS</u>	<u>KSHS</u>
19 COUNCIL ALLOWANCE		
Chairman Allowance	715,644	1,131,000
Sitting Allowance	2,540,000	3,520,000
Travelling & Accommodation	<u>1,697,524</u>	<u>1,331,329</u>
	4,953,168	5,982,329
20 MAINTENANCE COSTS		
Vehicle repairs	5,079,910	3,436,342
Maintenance of equipment and Water	4,469,695	4,823,616
Maintenance of Buildings	12,097,855	12,801,195
Maintenance of roads/grounds	1,895,640	4,215,232
Maintenance of computers/printer	<u>432,546</u>	<u>534,672</u>
	23,975,646	25,811,057

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

21 STUDENTS WELFARE

Inter university games	1,798,920	2,040,527
Students insurance	192,937	-
Student Stationery	425,680	9,400
Counselling expenses	182,500	
Student bursary	983,600	
Entertainment	789,921	354,806
Kimathi students union allow	787,180	1,037,190
Travelling and accommodation	1,214,330	165,922
Sports equipments	<u>954,450</u>	<u>1,214,800</u>
	7,329,518	4,822,645

22 ACADEMIC COSTS

External examination	2,148,108	1,573,985
Attachment expenses	595,262	476,640
Traveling and accommodation	4,358,398	2,755,370
Payment of use of lab	1,846,420	6,437,459
Library	1,823,466	10,137,225
Outreach programs	6,000	
Field courses	99,000	3,290,559
Graduation	2,229,641	
Teaching materials	4,740,094	9,373,242
Research, production & extension	3,017,010	1,278,790
JAB admission expenses	106,950	-
Work-study	276,899	173,199
Launch of MBA & PHD Programmes	1,750	195,240
Curriculum Development	1,052,891	787,475
ITPS	<u>1,107,200</u>	<u>965,630</u>
	23,409,089	37,444,814

23 ADMINISTRATIVE COSTS

Travelling and accommodation	3,524,694	4,684,645
Entertainment	471,010	87,870
Alumni	150,750	
Recruitment expenses	124,000	
ISO Expenses	133,980	1,500,036
Stationery and stores	<u>13,108,912</u>	<u>8,064,398</u>
	17,513,346	14,336,949

Add depreciation	39,677,155	41,624,273
Provision for Audit Fee	<u>750,000</u>	<u>750,000</u>
TOTAL EXPENDITURE	710,041,869	551,410,502

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont...)

FARM ACCOUNTS

	<u>2011/2012</u>	<u>2010/2011</u>
	<u>KSHS</u>	<u>KSHS</u>
26 <u>Direct Materials</u>		
Omex Foliar Feed		-
Fertilizers		1,754,160
Dursban/Alfatox		20,920
Coffee Nylex	430,500	263,000
Seeds	341,603	68,080
Spray suits	740	-
Fastac		-
Touch down	<u>400</u>	<u>-</u>
	773,243	2,106,160
27 <u>Cattle Overhead</u>		
Food Supplies	752,115	133,465
Treatment	91,448	324,615
A I Services	2,000	6,500
Dip / Acaricide		31,490
Supervision	<u>468,887</u>	<u>567,143</u>
	1,314,450	1,063,213
29 <u>Overhead Expenses</u>		
Maintenance Buildings		6,560
Maintenance Machinery		90,900
Electricity Irrigation	22,752	323,144
Factory Electricity	154,931	109,212
Security		4,182
Hired Transport	246,000	19,200
Fuels,Diesel,Oils& Gas		709,019
Advisory Services - T F M	70,419	568,287
Travelling &Subsistence Allowance	167,532	5,450
Coffee picking expenses		82,660
Medical	77,049	-
Insurance		-
Stationery And Printing	250,545	11,919
Licenses/legal fee	39,086	186,732
Bank Charges	13,493	83,228
Tree planting		-
Interest Charged(TFM)		756,713
Infilling		-
Drying repairs and maintenance		-



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont:...)

FARM ACCOUNTS

	<u>2011/2012</u>	<u>2010/2011</u>
	<u>KSHS</u>	<u>KSHS</u>
Telephone and postage	13,420	
Service gratuity	890,400	-
Staff entertainment	23,312	-
Seminar / Workshop	<u>115,200</u>	<u>-</u>
Total Overhead	<u>2,084,139</u>	<u>2,957,206</u>

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