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UNIVERSITY

NGONGOGERI FARM

FINAL ACCOUNTS FOR THE
YEAR ENDED 30TH JUNE 1992



REPORT OF THE AUDITOR-GENERAL (CORPORATIONS) ON THE ACCOUNTS
OF NGONGOGERI FARM FOR THE YEAR ENDED 30 JUNE 1992

REPORT OF THE AUDITOR-GENERAL (CORPORATIONS) ON THE ACCOUNTS
OF NGONGOGERI FARM FOR THE YEAR ENDED 30 JUNE 1992

I have examined the accounts of Ngongogeri Farm for the year ended 30 June 1992 in accordance with Section 29 (2) of the Exchequer and Audit Act, (Cap 412). I have obtained all the information and explanations that were required for the purpose of the audit. Proper books of account have been kept by the Farm and the accounts are in agreement therewith.

Subject to the reservation set out herebelow, in my opinion, the Balance Sheet and Income and Expenditure Account, when read together with the notes thereon, give a true and fair view of the state of affairs of the Farm as at 30 June 1992 and of its surplus for the year ended on that date.

MAINTENANCE OF CREDITORS LEDGER ACCOUNTS

My examination of the Farm's accounts for the year under review revealed that the management did not keep individual creditors ledger accounts. The accounts-trade creditors was prepared on the basis of unpaid invoices as at 30 June 1992 and in the absence of acceptable creditors ledger accounts, I was unable to form an opinion on the correctness of the figure of the trade creditors of Kshs.3,143,690.00 shown in note 8 to these accounts.



W.K. KEMEI
AUDITOR-GENERAL (CORPORATIONS)

20 November 1997

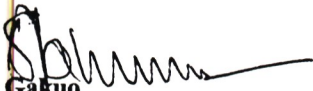
NGONGOGERI FARM

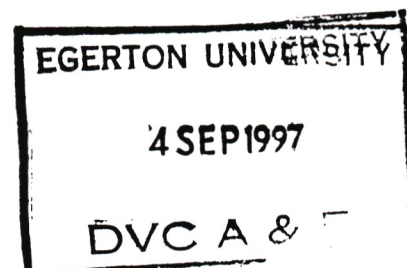
FINAL ACCOUNTS OF THE NGONGOGERI FARM FOR THE PERIOD ENDED JUNE 1992

I have the pleasure in presenting the Draft copy of the 1991/92 Final Accounts of the Ngongogeri Farm as stipulated in part IV, Section 20, Sub-section 1 to 3 of the Egerton University Act No.11 of 1st October, 1987.

These accounts have the following disclosures.

1. **Accounts Policy**
The accounts are prepared under the Historical Cost Convention
2. **Depreciation**
Depreciation has been charged on the Net Book Value of the Fixed Assets designed to write off the Assets concerned over their estimated useful lives.
3. **Stocks**
Stocks of Crops and Animals have been valued at the Lower of cost and Net Realisable Value.
4. **University Indebtness**
The amount owed by the Egerton university under Debtors and Prepayments is not recoverable in full within the same financial year but will normally be written-off against Grants to the University as and when the Council Committee of the Farm directs.

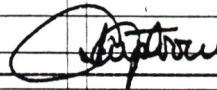

S.K. Gakuo
FINANCE OFFICER
For: VICE-CHANCELLOR
EGERTON UNIVERSITY



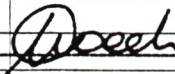
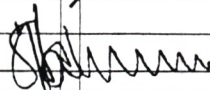
NGONGOGERI FARM

BALANCE SHEET AS AT 30TH JUNE 1992

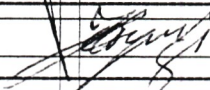
			30TH JUNE 1992	30TH JUNE 1991
ASSET EMPLOYED:			=====	=====
Fixed Assets	NOTE1		4,778,550	5,112,370
Capital Work-In-Progress	NOTE2		477,250	477,250
Investment-at-cost	NOTE6		350,120	350,120
			<u>5,605,920</u>	<u>5,939,740</u>
CURRENT ASSETS				
Stocks	NOTE3	12,107,010	12,459,840	
Debtors and prepayments	NOTE4	17,946,340	17,479,450	
Cash-on-deposits	NOTE5	-	-	
Cash-on-hand	NOTE7	-	-	
Cash-at-bank	NOTE7	1,255,870	-	
			<u>31,309,220</u>	<u>29,939,290</u>
CURRENT LIABILITIES				
Creditors and Accruals	NOTE8	3,352,590	4,683,610	
Provisions	NOTE9	421,000	421,000	
Overdraft	NOTE7	43,390	254,330	
			<u>3,816,980</u>	<u>5,358,940</u>
Net Current Assets			<u>27,492,240</u>	<u>24,580,350</u>
Balance Carried Forward			<u>33,098,160</u>	<u>30,520,090</u>
Financing by General Fund			<u>33,098,160</u>	<u>30,520,090</u>
			=====	=====



VICE-CHANCELLOR


DEPUTY VICE-CHANCELLOR
(ADMIN. & FINANCE)


FINANCE OFFICER



FARM MANAGER

GENERAL FUND ACCOUNT			
=====			
		30TH JUNE, 1992	30TH JUNE, 1991
=====			
Balance of Fund as at 30.06.90		30,520,090	26,836,850
Add			
Surplus realised in the year		2,578,070	3,683,240
		33,098,160	30,520,090
=====			

TRADING ACCOUNT AS AT 30TH JUNE, 1992

	SALES	STOCK AS AT 30.6.91	DIRECT EXPENSES 30.6.92	STOCK AS AT 30.6.92	COST OF SALES	PROFIT/ (LOSS) 1991/92	PROFIT (LOSS) 1990/91
LIVESTOCK							
Cattle Sales	1,023,070	5,318,000	1,302,340	4,743,000	1,877,340	(854,270)	(142,140)
Milk Sales	1,483,610	0	0	0	0	1,483,610	1,563,380
Sheep Sales	60,350	580,380	284,330	691,440	173,270	(112,920)	86,110
Wool Sales	58,640	0	0	0	0	58,640	54,390
	2,625,670	5,898,380	1,586,670	5,434,440	2,050,610	575,060	1,561,740
CROPS							
Wheat	8,989,300	4,842,660	3,018,450	5,158,700	2,702,410	6,286,890	6,105,940
Maize	843,930	496,360	0	700,000	(203,640)	1,047,570	584,220
Grass Columbus	0	0	0	0	0	0	2,920
Fodder Crops	0	171,440	0	200,000	(28,560)	28,560	101,440
Grass Rhodes Hays	18,400	30,000	0	6,530	23,470	(5,070)	(46,790)
Pedigree Seed Grass	0	79,320	0	18,900	60,420	(60,420)	33,270
	9,851,630	5,619,780	3,018,450	6,084,130	2,554,100	7,297,530	6,781,000
Total	12,477,300	11,518,160	4,605,120	11,518,570	4,604,710	7,872,590	8,342,740

**INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR
ENDED 30TH JUNE 1992**

	30TH JUNE, 1992	30TH JUNE, 1991
	KSHS.	KSHS.
INCOME		
Profit from Trading Accounts	7,872,590	8,342,740
Interest on Investment	600	105,180
Sundry Income	10,960	56,300
Sale of Water	2,500	13,200
	<u>7,886,650</u>	<u>8,517,420</u>
PERSONAL EMOLUMENTS		
Salaries and Wages	2,502,790	1,823,400
N.S.S.F.	161,000	128,970
Gratuity	35,100	78,970
Uniforms	0	14,970
Leave Travelling Allowance	0	22,850
Farm Bonuses	0	133,280
Car Allowance	20,000	20,000
	<u>2,718,890</u>	<u>2,222,440</u>
ADMINISTRATION EXPENSES		
Travelling and Subsistence	880	7,670
Interviews and Appointments	0	15,000
Postage and Telephone	6,690	26,630
Maintenance-Office Equipments	240	240
Printing & Stationery	377,300	89,870
Audit Fees Reserve	20,000	20,000
Bank Charges	56,060	19,250
Electricity	85,720	85,200
Subscriptions	1,000	3,200
Medical	0	1,830
Accountancy Charges	16,000	16,000
Computer Charges	20,000	20,000
Doubtful Debt	28,560	0
	<u>612,450</u>	<u>304,890</u>

30TH JUNE, 1992

30TH JUNE, 1991

REPAIRS AND MAINTENANCE

Buildings	10,410	900
Fencing	8,400	17,590
	18,810	18,490

WATER SUPPLY

Borehole Maintenance	47,240	22,350
Miscellaneous	4,440	77,860
Fuel and Electricity	9,100	6,000
	60,780	106,210

POOLED ACCOUNTS

Farm Implements	26,360	0
Running Fuel Expenses	613,780	780,290
Tractors and vehicles maint.	852,020	917,440
Maintenance of Equipment	16,610	0
	1,508,770	1,697,730

Expenditure	4,919,700	4,349,760
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Depreciation (See Schedule)	388,880	484,420
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Total Expences	5,308,580	4,834,180
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Net Surplus transferred to General Fund Account	2,578,070	3,683,240
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Balance Per Income Account	7,886,650	8,517,420
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NGONGGERI FARM -NOTES TO THE ACCOUNTS

FIXED ASSETS FOR THE YEAR ENDED 30TH JUNE, 1992

NOTE:1

	WRITTEN DOWN VALUE AS AT 30.6.91	ADDITIONS	DISPOSAL SALES	TOTAL AS AT 30.6.91	DEPRECIATION RATE %	DEPRECIATION CHARGED FOR YEAR	WRITTEN DOWN VALUE AS AT 30.6.92
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
Land -1104 Hectares	2,740,160	0	0	2,740,160	0.0	0	2,740,160
Labour House	28,830	0	0	28,830	2.5	720	28,110
Farm Manager's House	77,230	0	0	77,230	2.5	1,930	75,300
Fencing	71,530	55,050	0	126,580	20.0	25,320	101,260
Roads and Drains	50	0	0	50	20.0	0	50
Water Supply	138,210	0	0	138,210	20.0	27,640	110,570
Whet Sheds	5,030	0	0	5,030	20.0	1,010	4,020
Soil Conservation	5,840	0	0	5,840	20.0	1,170	4,670
Sheep Dip	220	0	0	220	2.5	0	220
Garage	4,340	0	0	4,340	2.5	110	4,230
Water Troughs	6,140	0	0	6,140	20.0	1,230	4,910
Grain Bulk Handling	93,230	0	0	93,230	20.0	18,650	74,580
Administration Block	11,630	0	0	11,630	2.5	290	11,340
Farm Manager's Guest House	7,120	0	0	7,120	2.5	180	6,940
Assistant Farm Manager's House	239,260	0	0	239,260	2.5	5,980	233,280
Stores	2,220	0	0	2,220	2.5	60	2,160
Hay Bans	5,230	0	0	5,230	20.0	1,050	4,180
3-Phase electric installation	16,000	0	0	16,000	20.0	3,200	12,800
Farm Assistants House	60,400	0	0	60,400	2.5	1,510	58,890
Machinery Sheds	4,800	0	0	4,800	20.0	960	3,840
Junior Labour Houses (4)	310,020	0	0	310,020	2.5	7,750	302,270
	3,827,490	55,050	0	3,882,540		98,760	3,783,780

	WRITTEN DOWN VALUE AS AT 30.6.91	ADDITIONS	DISPOSAL SALES	TOTAL AS AT 30.6.91	DEPRECIATION RATE %	DEPRECIATION CHARGED FOR YEAR	WRITTEN DOWN VALUE AS AT 30.6.92
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
FARM MOVABLE ASSETS							
Peugeot 404 - KYC 810	58,570	0	0	58,570	25	14,640	43,930
Massey Ferguson - KLY 662	220	0	0	220	25	60	160
Massey Ferguson - KSB 556	1,660	0	0	1,660	25	420	1,240
Massey Ferguson - KSF 090	2,380	0	0	2,380	25	600	1,780
Massey Ferguson - KSF 091	3,660	0	0	3,660	25	920	2,740
Massey Ferguson - KSG 188	2,950	0	0	2,950	25	740	2,210
Massey Ferguson - KSV 863	5,910	0	0	5,910	25	1,480	4,430
Massey Ferguson - KTZ 832	7,300	0	0	7,300	25	1,830	5,470
Massey Ferguson - KUW 127	20,800	0	0	20,800	25	5,200	15,600
Combine Harvester - KLC 920	4,670	0	0	4,670	25	1,170	3,500
Ford Tractor-KTL 837	2,950	0	0	2,950	25	740	2,210
Yamaha Motor Cycle	1,840	0	0	1,840	25	460	1,380
Machinery and Equipment	201,000	0	0	201,000	20	40,200	160,800
Tools	35,940	0	0	35,940	20	7,190	28,750
Furniture And Fittings	10,960	0	0	10,960	15	1,640	9,320
Portable Dairy Equipment	130,740	0	0	130,740	12.5	16,340	114,400
Office Equipment	1,340	0	0	1,340	20	270	1,070
Trailer General	1,840	0	0	1,840	25	460	1,380
Rollers	50	0	0	50	20	0	50
Hardi Spayers	13,800	0	0	13,800	20	2,760	11,040
Maize Chopper	21,740	0	0	21,740	20	4,350	17,390
Massey Ferguson - KYF 952	182,360	0	0	182,360	25	45,590	136,770
Massey Ferguson - KZG 542	205,640	0	0	205,640	25	51,410	154,230
Toyota Hilux - KAA 800P	177,470	0	0	177,470	25	44,370	133,100
Isuzu NKR 575 KAA 807 P	189,100	0	0	189,100	25	47,280	141,820
	1,284,890	0	0	1,284,890		290,120	994,770
Grand Totals	5,112,380	55,050	0	5,167,430		388,880	4,778,550

NOTE 2:

WORK - IN - PROGRESS

	BALANCE			
	AS AT 30.6.91	30.6.92 COMPLETION	30.6.92 ADDITIONS	30.6.92 BALANCE
Staff Housing Scheme	477,250	0	0	477,250
	477,250	0	0	477,250

NOTE 3:

NOTE 3: FARM'S STOCK FOR THE PERIOD ENDED 30TH JUNE, 1992

	30.6.92	30.6.91
LIVESTOCK		
Cattle	4,743,000	5,318,000
Sheep	691,440	580,380
	5,434,440	5,898,380
CROPS		
Loose Tools	0	99,530
Grass Rhodes Hays	6,530	30,000
Pedigree Seed Grass	18,900	79,320
Wheat	5,158,710	4,842,660
Maize	700,000	496,360
Silage and Fodder	200,000	171,440
Sundries	97,690	366,170
Drugs, Fertilizers and Sprays	392,500	386,730
Feeds and seeds	98,240	89,250
	6,672,570	6,561,460
	12,107,010	12,459,840

NOTE 4:

DEBTORS AND PREPAYMENTS

	30.6.91	30.6.92	30.6.92	30.6.92
	OPENING BALANCE	RECEIPTS	ADDITIONS	BALANCE
Imprest to Farm Manager	12,140	0	10,660	22,800
Advances-Junior Staff	1,730	0	0	1,730
Trading Debtors	3,816,920	2,777,840	1,288,690	2,327,770
E.A.P.&L.-Deposit Account	8,600	0	0	8,600
E.A. Oxygen and Acetylene	2,160	0	0	2,160
Egerton College	13,605,240	0	1,973,940	15,579,180
Petty Cash	4,100	0	0	4,100
ECCOSSACS	28,560	28,560	0	0
TOTAL	17,479,450	2,806,400	3,273,290	17,946,340

NOTE 6:

FARM'S INVESTMENTS AT COST AS AT 30TH JUNE, 1992

	30.6.92	30.6.91
KENYA CO-OPERATIVE CRAEMERIES		
K.C.C. D. Cumulative or ordinary shares	6,820	6,820
K.C.C. Ordinary Shares	20,800	20,800
K.C.C. Ordinary Shares	13,640	13,640
K.C.C. ordinary Shares	5,540	5,540
K.C.C. Ordinary Shares	26,820	26,820
K.C.C. Ordinary Shares	38,980	38,980
K.C.C. Ordinally Shares	31,940	31,940
K.C.C. Cumulative Shares	25,540	25,540
K.G.G.C.U	179,640	179,640
Pyrethrum Board of Kenya Ordinary Shares	400	400
	350,120	350,120

NOTE 7:

FARM'S CASH AT BANK AND ON HAND

Standard Bank - Current Account	1,255,870	312,300
National Bank - Current Account	(43,390)	(566,630)
	1,212,480	(254,330)

NOTE 8:

CREDITORS AND ACCRUALS AS AT 30TH JUNE, 1992

	30.6.92	30.6.91
Unclaimed Wages	8,900	9,020
University Account	200,000	2,000,000
Trade Creditors	3,143,690	2,674,590
	<u>3,352,590</u>	<u>4,683,610</u>

NOTE 9:

PROVISIONS AS AT 30TH JUNE, 1992

	30.6.92	30.6.91
Gratuities and Bonuses	400,000	400,000
Doubtful Debts	6,000	6,000
Audit Fees Reserve	15,000	15,000
	<u>421,000</u>	<u>421,000</u>