

JKUAT-2-72-4-1



**JOMO KENYATTA UNIVERSITY  
OF  
AGRICULTURE AND TECHNOLOGY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

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



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OF  
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## UNIVERSITY INFORMATION

### PRINCIPAL PLACE OF BUSINESS

Jomo Kenyatta University of Agriculture and Technology  
Juja P.O. Box 62000-00200 Nairobi

### REGISTERED OFFICE

Jomo Kenyatta University of Agriculture and Technology  
P.O. Box 62000-00200 Nairobi

### BANKERS

Kenya Commercial Bank Ltd  
Moi Avenue  
P.O. Box 30081-00100 Nairobi

National Bank of Kenya Ltd  
P.O. Box 93-00232  
Ruiru, Kenya

Standard Chartered Bank Ltd  
P.O. Box 98683-80100  
Nairobi

Barclays Bank Kenya  
Barclays Plaza  
P.O.Box 46661,Nairobi, Kenya.

Co-operative Bank of Kenya Ltd  
Ngong Road,Po Box 19555-00202 Nairobi

Equity Bank Ltd  
Thika Plaza.Po Box 253-01000, Thika

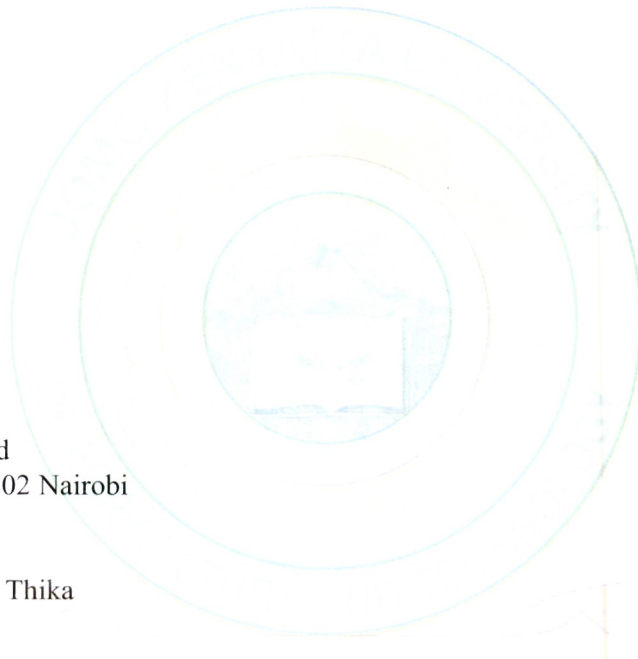
Fundilima Sacco Society Ltd  
P.O. Box 62000-00200 Nairobi

### AUDITORS

Auditor General  
Kenya National Audit Office  
Po Box 30084-00100 Nairobi

### ADVOCATES

Lutta & Lutta Advocates  
P.O. Box 73705-00200 Nairobi



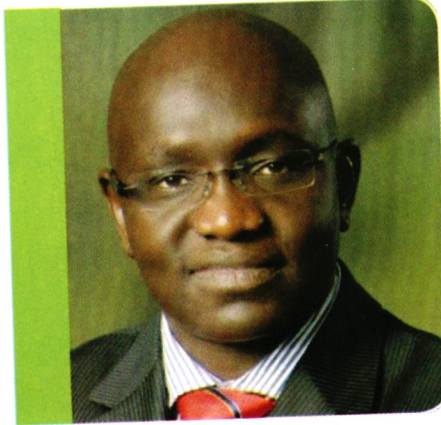
## THE UNIVERSITY COUNCIL

Current		Date of Appointment
1. Dr. Ekuru Aukot	Chairman	January 22 <sup>nd</sup> 2013
2. Dr. Rosa Muraguri-Mwololo	Member	January 22 <sup>nd</sup> 2013
3. Ms. Bertha Joseph Dena	Member	January 22 <sup>nd</sup> 2013
4. Dr. Khadija Sood Shirkley	Member	January 22 <sup>nd</sup> 2013
5. Mr. John K.Tanui	Member	January 22 <sup>nd</sup> 2013
6. Amb. Steven Arphaxard Loyatum	Member	January 22 <sup>nd</sup> 2013

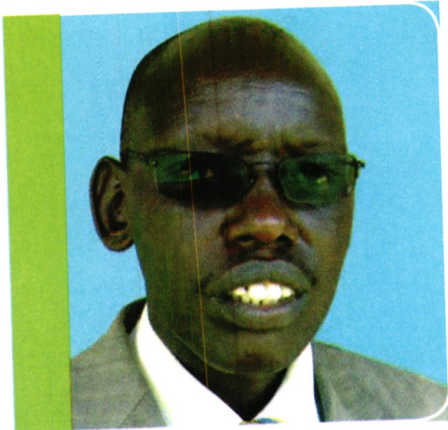
## OFFICERS OF THE UNIVERSITY

1. Prof. Geoffrey Moriaso Ole Maloiy	Chancellor
2. Prof. Mabel Imbuga	Vice Chancellor
3. Prof. Bernard O. Moirongo	Deputy Vice Chancellor (Finance)
4. Prof. Victoria W. Ngumi	Deputy Vice Chancellor (Administration)
5. Prof. Romanus Odhiambo	Deputy Vice Chancellor (AA)
6. Prof. Esther M. Kahangi	Deputy Vice Chancellor (RPE)
7. Dr. Jane Ng'ethe	Ag. Registrar (Administration)
8. Mr. C.C. Kamau	Registrar (RPE)
9. Mr. Antony Kiswi	Registrar (AA)
10. CPA Titus Wasike	Finance Officer
11. Mrs. Emmah Omulokoli	Dean of Students
12. Prof. Alfred Mayabi	Principal, COETEC
13. Prof. Jackson Kwanza	Ag. Principal ,JKUAT Karen Campus
14. Prof. Esther Magiri	Principal JKUAT Westlands Campus
15. Dr. Ruth Mugo	Ag. Chief Medical Officer

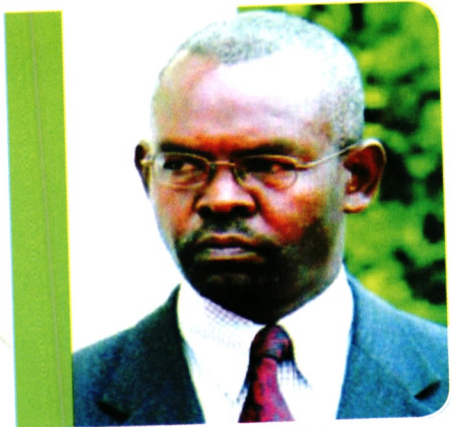
## **THE UNIVERSITY COUNCIL**



**Dr. Ekuru Aukot**  
Chairman



**Dr. Richard Belio Kipsang**  
Principal Secretary  
Ministry of Education



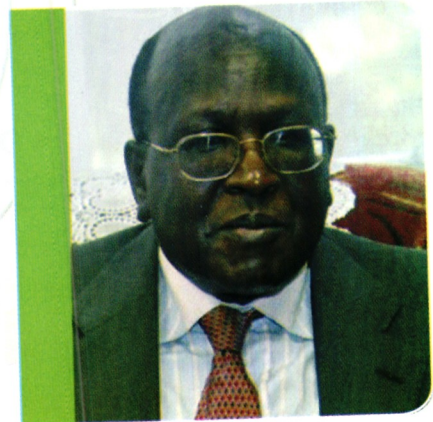
**Dr. Kamau Thuuge**  
Principal Secretary  
Ministry of National Treasury



**Dr. Rosa Muraguri-Mwololo**  
Member



**Ms. Bertha Joseph Dena**  
Member



**Amb. Steven Arphadax Loyatun**  
Member



**Dr. Khadija Sood Shirkeley**  
Member

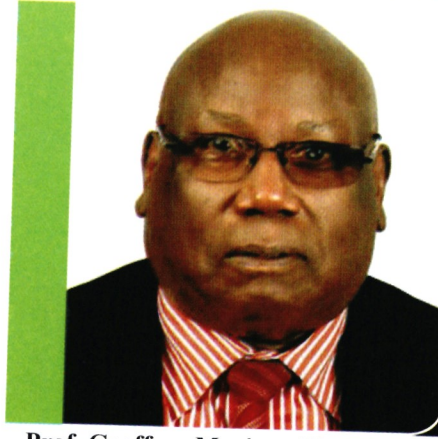


**Eng. John K. Tanui**  
Member



**Prof. Mabel Imbuga**  
Member

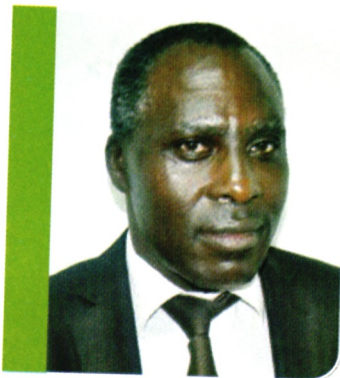
## **OFFICERS OF THE UNIVERSITY**



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Vice Chancellor



**Prof. Bernard O. Moirongo**  
Deputy Vice Chancellor  
(Finance)



**Prof. Victoria W. Ngumi**  
Deputy Vice Chancellor  
(Administration)



**Prof. Romanus Odhiambo**  
Deputy Vice Chancellor  
(Academic Affairs)



**Prof. Esther M. Kahangi**  
Deputy Vice Chancellor  
(Research, Production and Extension)



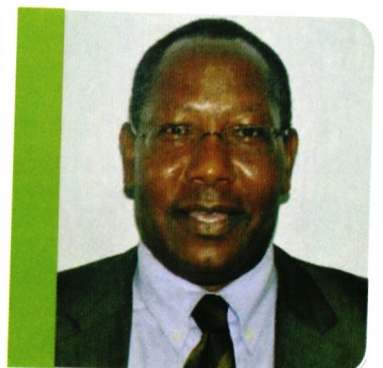
**CPA. Titus Wasike**  
Finance Officer



**Dr. Jane Ng'ethe**  
Ag. Registrar  
(Administration)



**Mr. Antony Kiswi**  
Registrar  
(Academic Affairs)



**Mr. Cyrus C. Kamau**  
Registrar  
(Research, Production and Extension)



**Prof. Jackson Kwanza**  
Ag. Principal Karen Campus



**Prof. Alfred Mayabi**  
Principal, COETEC



**Mrs. Emmah Omulokoli**  
Dean of Students



**Prof. Esther Magiri**  
Principal, JKUAT Nairobi Campus



**Dr. Ruth Mugo**  
Ag. Chief Medical Officer



## CHAIRMAN'S REPORT

### Introduction

As a Public University, Jomo Kenyatta University of Agriculture and Technology (JKUAT) recognizes her pivotal role in helping Kenya achieve her development goals through training, research and innovation. In this respect, JKUAT is keen in providing skills, knowledge and technology required to steer the country towards achieving the economic, social and political goals as enshrined in national development instruments. The University will continue to reposition its main brands within the context of markets requirements, customers' satisfaction and cost rationalization.

The need to meet these objectives over the years has remained the central focus of the University Council.

### Financial Performance

The year 2013/2014 reported a Gross Income of Kshs.7,193,761,750 compared to Kshs.5,789,865,305 for the year 2012/2013. This represents an increase of 24% which is attributed to rise in student population and new programmes during the period.

### Achievements

2013/2014 financial year saw JKUAT enter into partnerships and collaborations with various institutions and counties. This boosts innovation and research. Among them are Waste Electrical & Electronic Equipment Centre whose core business is recycling and management of electronic waste with a mission to secure a green, safe and healthy environment. Baringo County will benefit from the research innovations and technology transfer. Nyeri County on the other hand will benefit with value addition in coffee, tea and horticultural crops. The IHub partnership is a viable platform for both entities to leverage on their collective strengths in terms of human resource and physical facilities.

During the period under review the University opened a new campus in Keiyan in line with its strategic plan to meet the demand for higher education.

### Challenges

The University has grappled with an increased demand for university education against constrained University resources.

Due to an increase in student numbers, the laboratory and equipment facilities have been overstretched and maintenance and replacement have been a major challenge due to inadequate funding thus the need to enhance development grants.

### Appreciation

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



**AMB. STEVEN ARPHAXARD LOYATUM  
FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**

## **VICE CHANCELLOR'S REPORT FOR THE YEAR ENDED 30TH JUNE 2014**

I am pleased to present the Annual Report and Accounts for Jomo Kenyatta University of Agriculture and Technology (JKUAT) for the year ended 30<sup>th</sup> June 2014.

In the year 2013/2014, the University submitted to the Ministry of Higher Education Science and Technology a budget of Ksh.11,063,000,000. Out of this Ksh.3,258,000,000 was for Recurrent Estimates and the balance of Ksh.3,981,000,000 was for Development Estimates. The University anticipated to generate Ksh.3,825,000,000 as Appropriation in Aid (A.I.A).

In the year under review, Kshs.2,187,383,610 related to Government grants which consisted of recurrent grant of Kshs.2,157,415,653 and Development grant refunds of Kshs.29,967,957. The government grants were far below our budget submissions. The University on its part generated Kshs.5,006,378,139 which was above the targeted Appropriation In Aid of Kshs.3,825,000,000.

The University growth has seen students' population increase to over twenty thousand. The increase has led to constraints on our physical facilities such as lecture rooms and laboratories. However during the period under review the University utilized its internally generated funds to start the construction of a new Administration block, as well beautification of the main road leading to the University. Further, the University acquired 250 acres of land along Kenyatta Road at a cost of Kshs.2.5 billion for development purposes.

In our previous reports we have emphasized that our funding should be based on unit cost due to the nature of the main academic programmes offered by the University. The current funding leveled by the GoK has made the University unable to meet some of its key strategic objectives.

Finally, I would like to take this opportunity to thank the Kenya Government, donors and other organizations for the support we have received during the year.

I would also like to thank members of staff and students for the dedication and cooperation they have accorded me in the running of this University.



**PROF. MABEL IMBUGA, Ph.D.**  
**VICE CHANCELLOR**

## STATEMENT ON CORPORATE GOVERNANCE

### Responsibility of the Council

The Council comprises of nine persons, six of whom are appointed by the President while the rest are ex-officio members. It is responsible for ensuring that the University complies with the law and best practices in corporate governance as promulgated by relevant authorities.

### Functions of the Council

- To administer the property and funds of the University, donations, endowments, gifts, grants or other monies and to make legitimate disbursements there from.
- To provide for the welfare of the staff and students of the University.
- To generate and raise funds for the purposes of the University from within and outside the country.
- To determine, on the advice of the senate, the maximum number of students to be admitted to the University at any one time from amongst those qualified for admissions.
- To enter into association with other universities, colleges or institutions of higher learning within or outside Kenya as the Council may deem necessary in the interest of the University.

The Council meets at least four times in each calendar year at such a place and time as the Chairman may determine.

### Council Committees

The following are the Council Committees

1. Executive Committee
2. Finance Committee
3. Sealing Committee
4. Building Committee
5. Terms of Service Committee
6. Staff Appraisal, Appointment and Promotions Committee
7. Staff Disciplinary Committee
8. Audit Committee

The Council nominates the Chairman of each Council Committee.

### CORPORATE SOCIAL RESPONSIBILITY

The University acknowledges her responsibility to the society by playing an active role on public issues. The University contributes to community support initiatives and in the year under consideration, the University was involved in the following activities;

- HIV Awareness Campaign
- Standard Chartered, Nairobi Marathon
- Lewa Marathon
- Kenya Red Cross Society

The University also hosts in country training targeting women farmers from various counties in Kenya and also provides bursary and awards through Vice Chancellor's Awards.

The University continues to be a caring partner in our community has participated in numerous charitable events both as donor and through participation of staff teams.

The Secretary to the Council established Juja Community Development Committee that has come up with a roadmap on development of Juja town including roads, water, sanitation and sewage system.



**AMB. STEVEN ARPHAXARD LOYATUM**

**FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**



**PROF. MABEL IMBUGA, Ph.D.**

**VICE CHANCELLOR**

## **STATEMENT OF JOMO KENYATTA UNIVERSITY COUNCIL MEMBERS RESPONSIBILITIES FOR THE YEAR ENDED 30TH JUNE 2014**

Jomo Kenyatta University of Agriculture and Technology is required to prepare statements, which give a true and fair view of the state of affairs of the University as at the end of the financial year, and of its surplus or deficit for that year. The University Council is required to ensure that the University maintains proper accounting records which disclose with reasonable accuracy the financial position of the University. Council is also responsible for safeguarding the assets of the University.

Council accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years and in conformity with International Financial Reporting Standards. Council is of the opinion that financial statements give a true and fair view of the state of financial affairs of the University as at 30<sup>th</sup> June 2014 and of its surplus for the year then ended.


Council further confirms the accuracy and completeness of the accounting records maintained by the University, which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the system of internal financial control.

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

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



**AMB. STEVEN ARPHAXARD LOYATUM**  
**FOR CHAIRMAN OF THE UNIVERSITY COUNCIL**



**PROF. MABEL IMBUGA, Ph.D.**  
**VICE CHANCELLOR**



## KENYA NATIONAL AUDIT OFFICE

### **REPORT OF THE AUDITOR-GENERAL ON JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY FOR THE YEAR ENDED 30 JUNE 2014**

#### **REPORT ON THE FINANCIAL STATEMENTS**

I have audited the accompanying financial statements of Jomo Kenyatta University of Agriculture and Technology set out on pages 11 to 36, which comprise the Statement of Financial Position as at 30 June 2014 and the Statement of Changes in Net Assets, Statement of Cash Flows, and the Statement of Comparison of Budget and Actual Amounts 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 Public Sector Accounting Standards (Accrual Basis) and for such 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.

The Management is also responsible for the submission of the 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(2) of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. 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 statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the 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 University'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 that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Opinion**

In my opinion, the financial statements present fairly, in all material aspects, the financial position of the University as at 30 June 2014, and of its financial performance and its cash flows for the year ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the University's Act, 2012.

#### **Emphasis of Matter**

##### **Going Concern**

Although the University recorded a surplus of Kshs. 387,624,348 during the year under review, its current liabilities of Kshs. 1,469,493,830 as at June 2014 exceeded the current assets of Kshs. 936,086,398 resulting into a negative working capital of Kshs. 533,407,432. The financial statements of the University have been prepared on a going concern basis on the assumption of continued financial support from the Government and its creditors. My opinion is not qualified in respect of this matter.

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

**Nairobi**  
**11 May 2015**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

INCOME	NOTE	2013/2014 KSHS	2012/2013 RESTATED KSHS
Income from Non-Exchange transactions	2	2,187,383,610	1,854,308,353
Income from Exchange transactions			
Tuition and Other Fees	3	4,741,954,587	3,631,115,991
Incomes from Other services rendered	4(i)	144,933,131	137,916,428
Other income	4(ii)	119,490,421	166,524,534
<b>Sub Total</b>		<b>5,006,378,139</b>	<b>3,935,556,953</b>
		<b>7,193,761,750</b>	<b>5,789,865,305</b>
<b>EXPENDITURE</b>			
Personal Emoluments	5(i)	3,719,099,917	2,883,343,725
Academic Departments Costs	5(ii)	587,978,030	603,192,969
Administrative Departments Costs	5(iii)	92,831,122	99,973,546
JKUAT Campus Costs	5(iv)	1,098,187,977	988,428,006
Students Welfare Costs	5(v)	55,492,544	64,995,171
Maintenance Work Costs	5(vi)	69,426,294	130,581,585
Miscellaneous Expenditure	5(vii)	63,728,949	58,899,329
Central Services Costs	5(viii)	1,102,018,972	820,473,867
Council, Committees expenses	5(ix)	17,373,596	17,129,612
		<b>6,806,137,402</b>	<b>5,667,017,811</b>
<b>Surplus for the year</b>		<b>387,624,348</b>	<b>122,847,495</b>

**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2014**

	NOTE	2013/2014 KSHS	2012/2013 RESTATED KSHS
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Inventories	9	46,897,866	50,416,431
Trade and Other Receivables	10	766,287,506	388,959,566
Cash and bank balances	11a	122,901,026	251,244,866
		<b>936,086,398</b>	<b>690,620,863</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	8	7,260,032,154	4,297,654,378
Investment in Subsidiary	13	25,644,004	25,644,004
Biological Assets-livestock	15	7,878,700	6,951,000
Investment in Joint Venture		150,000,000	150,000,000
		<b>7,443,554,858</b>	<b>4,480,249,382</b>
<b>TOTAL ASSETS</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	12	1,110,770,590	919,085,599
Other Payables - Special Accounts & Grants	7	197,112,191	176,020,707
Bank overdraft	11b	161,611,049	103,240,865
		<b>1,469,493,830</b>	<b>1,198,347,171</b>
<b>NON CURRENT</b>			
Bank Loan	14	2,550,000,000	-
<b>TOTAL LIABILITIES</b>		<b>4,019,493,830</b>	<b>1,198,347,171</b>
<b>NET ASSETS</b>			
Capital Fund	6	1,942,091,704	1,942,091,704
Revaluation Reserve	6	1,349,392,123	1,349,392,123
Accumulated Surplus	6	1,068,663,599	681,039,251
		<b>4,360,147,426</b>	<b>3,972,523,078</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>
<b>TOTAL FUNDS, GRANTS AND LIABILITIES</b>		<b>8,379,641,256</b>	<b>5,170,870,246</b>



PROF MABEL IMBUGA, PhD., EBS  
VICE-CHANCELLOR



PROF BERNARD O. MOIRONGO, PhD.  
DEPUTY VICE-CHANCELLOR (FINANCE)



CPA TITUS WASIKE  
FINANCE OFFICER

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 30TH JUNE 2014**

	Capital Fund	Revaluation Reserve	Accumulated Surplus	TOTAL
<b>As at 30th June 2012</b>	2,370,738,057	1,349,392,123	558,191,756	4,278,321,936
Additions in the Year				-
Transfers of assets to Taita Taveta University College	(394,394,615)			(394,394,615)
Depreciation on Transfers	(34,251,738)			(34,251,738)
Surplus for the Year			122,847,495	122,847,495
<b>As at 30th June 2013 Restated</b>	<b>1,942,091,704</b>	<b>1,349,392,123</b>	<b>681,039,251</b>	<b>3,972,523,078</b>
Additions in the Year				-
Surplus for the Year			387,624,348	387,624,348
<b>As at 30th June 2014</b>	<b>1,942,091,704</b>	<b>1,349,392,123</b>	<b>1,068,663,599</b>	<b>4,360,147,426</b>



**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

	NOTE	2013/2014 KSHS	2012/2013 RESTATED KSHS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Surplus/(Deficit) for the year</b>	Pg 11	387,624,348	122,847,495
<b>Adjustment for:</b>			
Prior Year Adjustment			15,000,000
Amortization of ERP Software		-	3,422,974
Depreciation Charge	8	200,460,310	167,687,016
<b>Operating Profit before working capital changes</b>		<b>588,084,658</b>	<b>308,957,485</b>
Decrease(increase) in Debtors		(377,327,940)	691,859
Decrease(increase) in Stocks		3,518,565	(875,120)
Increase(Decrease) in Other Payables-Special Accounts		21,091,484	11,954,933
Increase(Decrease) in creditors		191,684,991	40,119,974
		<u>(146,032,898)</u>	<u>51,891,645</u>
<b>Net Cash Generated from Operating Activities</b>		<b><u>442,051,760</u></b>	<b><u>360,849,130</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Furniture	8	(12,361,781)	(27,700,434)
Additions in Work In Progress	8	(2,974,730,622)	(228,770,757)
Purchase of Motor Vehicles	8	(24,813,415)	(27,936,990)
Investment in JKUAT Nisssin Foods LTD		-	(150,000,000)
Purchase of Computers and Equipment	8	(149,782,269)	(88,459,719)
Transfers to Taita Taveta	8	(15,000,000)	(95,369,208)
Purchase of plant and machinery		(1,150,000.0)	
Increase in Biological assets		(927,700)	(857,000)
<b>Net cash used in Investing Activities</b>		<b><u>(3,178,765,787)</u></b>	<b><u>(619,094,108)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Grants allocated to Finance Capital Fund	6		
Bank Loan		2,550,000,000	(5,265,333)
<b>Net cash used in Financing Activities</b>		<b>2,550,000,000</b>	<b>(5,265,333)</b>
<b>Net Increase (Decrease) in cash and cash equivalents</b>		<b>(186,714,027)</b>	<b>(263,510,311)</b>
Cash and cash equivalents at beginning of the year		148,004,005	411,514,317
Cash and cash equivalents at the end of year		(38,710,022)	148,004,005
<b>SUMMARY OF CASH AND BANK BALANCES</b>			
Cash on hand and balance with banks		122,901,026	251,244,866
Bank overdraft		(161,611,049)	(103,240,865)
<b>TOTAL</b>		<b><u>(38,710,022)</u></b>	<b><u>148,004,005</u></b>

**STATEMENT OF COMPARISON OF BUDGET Versus ACTUAL AMOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2014**

	ORIGINAL BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL ON COMPARABLE BASIS	PERFORMANCE DIFFERENCE
INCOME	2013/2014 KSHS	2013/2014 KSHS	2013/2014 KSHS	2013/2014 KSHS	2013/2014 KSHS
Government Grant - Recurrent	1,949,059,350	-	1,949,059,350	1,571,930,068	
Recurrent Grant Receivable	-	-	-	122,128,935	
Recurrent Grant- CBA Arrears	-	246,200,000	246,200,000	246,200,000	
Refund from Public Universities Joint	-	120,479,111	120,479,111	217,156,651	
<b>Government Grant Income</b>	<b>1,949,059,350</b>	<b>366,679,111</b>	<b>2,315,738,461</b>	<b>2,157,415,653</b>	
Refund Special Grant- Development Grant	63,000,000		63,000,000	29,967,957	
<b>Total Government Grant</b>	<b>2,012,059,350</b>	<b>366,679,111</b>	<b>2,378,738,461</b>	<b>2,187,383,610</b>	
Tuition and other Fees Income	4,322,679,540	-	4,322,679,540	4,741,954,587	
Other income	257,831,980	-	257,831,980	264,423,552	
<b>Sub Total</b>	<b>4,580,511,520</b>	<b>-</b>	<b>4,580,511,520</b>	<b>5,006,378,139</b>	
<b>Total Income</b>	<b>6,592,570,870</b>	<b>366,679,111</b>	<b>6,959,249,981</b>	<b>7,004,232,011</b>	<b>44,982,030</b>
<b>EXPENDITURE</b>					
Personal Emoluments		455,563,135	3,719,099,917	3,719,099,917	-
Academic Depart- ments Costs	3,263,536,782	-	793,597,583	587,978,030	(205,619,553)
Administrative Departments Costs	793,597,583	-	121,005,513	92,831,122	(28,174,391)
JKUAT Campus Costs	121,005,513	-	621,968,769	1,098,187,977	476,219,208
Students Welfare Costs	621,968,769	-	92,253,232	55,492,544	(36,760,688)
Maintenance Work Costs	92,253,232	-	120,537,367	69,426,294	(51,111,073)
Miscellaneous Expenditure	120,537,367	-	78,425,743	63,728,949	(14,696,794)
Central Services Costs	78,425,743	-	1,402,804,450	1,102,018,972	(300,785,478)
Council, Committees expenses	1,402,804,450	-	17,781,793	17,373,596	(408,197)
<b>Total Expenditure</b>	<b>6,511,911,232</b>	<b>455,563,135</b>	<b>6,967,474,367</b>	<b>6,806,137,402</b>	<b>(161,336,966)</b>
<b>Surplus for the year</b>	<b>80,659,638</b>				

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014

### 1.0 ACCOUNTING POLICIES

The following paragraphs describe the main accounting policies of the University.

#### (A) BASIS OF ACCOUNTING

The accounts have been prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

#### (B) INCOME RECOGNITION

Income from grants and tuition fees is recognized on accrual basis.

Interest earned on short-term deposits is recognized on the accrual basis.

Tuition arrears as at 30th June 2014 was Kshs 423,080,081.00. This income is accrued in the accounts as at 30th June 2014 in line with IPSAS

The refunds from the Ministry of Education, Science and Technology on projects is shown as income for the year in line with IAS 20

The income is captured in the Statement of comprehensive Income.

#### (C) PROPERTY PLANT AND EQUIPMENT

a) Property, plant and equipment are stated at cost or valuation less depreciation.

b) Depreciation of property, plant and equipment are calculated on the reducing balance basis using the following annual rates:

Buildings 2%

Furniture and Fittings 10%

Plant and Machinery 10%

Motor Vehicles 20%

Computers and Equipment 30%

#### (D) INVENTORIES

a) Stocks are stated at the lower of cost or net realizable value.

b) The cost of library books and perishables is written off to expenditure as incurred.

#### (E) TRANSLATION OF FOREIGN CURRENCIES

Transactions in foreign currencies are converted into Kenya Shillings at the rate ruling on the transaction date.

**(F) VALUE OF DONATED EQUIPMENT**

Value for the equipment donated are estimated by the University or as advised by donors.

**(G) NON-CURRENT ASSETS EXPENDITURE ON RECURRENT GRANTS**

The cost of Non-Current Assets from Recurrent Grants is expensed in the income and expenditure account and capitalized.

**(H) BAD AND DOUBTFUL DEBTS**

Provision for bad and doubtful debts have been provided of Kshs 66,633,696.19 for the financial year 2013/2014.

**(I) PURCHASE OF FIXED ASSETS**

The purchase of fixed assets is capitalized.

**(J) INTANGIBLE ASSETS**

The Intangible Assets are amortized on straight line basis over the finite number of years

**(K) CURRENCY**

The figures in the accounts are expressed in Kenya Shillings (KShs)

**(L) PRIOR YEAR ADJUSTMENT**

This relates to value of land worth Kshs 15,000,000 that was transferred to Taita Taveta College but was not deducted from the Fixed Asset Schedule in the year 2012/2013

**(M) EXPECTED PENSION**

The University expected to receive Kshs 19,444,605 from the Ministry of Higher Education Science and Technology for payment of pension arrears that resulted from the CBA Arrears

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014	2012/ 2013
		KSHS	KSHS
<b>2</b>	<b>GOVERNMENT GRANT</b>		
70003	Recurrent Grant	1,571,930,068	1,664,124,326
70003	Recurrent Grant Receivable	122,128,935	127,184,030
70003	Recurrent Grant - CBA Arrears	246,200,000	-
70004	Refund from Public Universities Joint Account (UoN)	217,156,651	-
70005	Refund Special Grant-Development Grants	29,967,957	62,999,997
		<b><u>2,187,383,610</u></b>	<b><u>1,854,308,353</u></b>
<b>3</b>	<b>TUITION AND OTHER FEES</b>		
70012	ID/Registration Fees	35,886,332	29,124,198
70014-01	Tuition Fees	4,119,490,996	3,143,677,219
70015-01	Examination Fees	182,177,524	147,149,225
70016-01	Medical Fees	87,799,874	76,483,829
70043/4/5	Post Graduate Fees	2,270,000	2,511,600
70042	Bsc. application fees	8,018,654	7,110,800
70046-01	Internet	56,030,586	48,852,634
70047	Computer fees	63,108,801	56,939,956
70048	Library fees	40,516,766	35,596,778
70049	Field trips/attachment	106,093,816	83,669,751
70059-01	Students Laptop Fees	40,561,238	-
		<b><u>4,741,954,587</u></b>	<b><u>3,631,115,991</u></b>
<b>4(i)</b>	<b>OTHER SERVICES RENDERED</b>		
87031	Rechargable transport	71,081,901.70	64,903,404
87044	Nursery School	844,087.83	735,393
87046	Horticulture Production	-	164,120
87047-1/2/3/4	Staff Cafeteria	22,225,331.88	26,305,189
87049	Xeroxing and printing	7,358,136.53	1,634,035
87066	Workshop Production	2,296,054.90	1,969,438
87048	Food Processing	-	34,953
87126	Hospital fund	5,696,122.90	5,544,999
87127	Library Production	106,143.00	127,889
87129	Consultancy services	218,940.00	-
87133-01/02	Bookshop Income	2,996,115.98	3,018,904
87141	Chemistry	2,090,815.90	5,192,824
87177	Serena /Candle IGU A/C	11,484,395.66	-
87178	Outside Catering unit	-	305,165
87203	Farm machinery	715,848.60	-
87204	Health centre dental	282,960.00	294,490
87325	Botany IGU	103,640.00	239,000

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014	2012/ 2013
		KSHS	KSHS
87341	BEED IGU	-	829,858
17800-01	Short Courses and Trainings	2,157,637.00	-
87390	Geothermol Development jkuat	494,187.25	-
87391	GIS/SDCP Consultancy- Min of Agri	-	4,471,336
87392	ICT Consultancy centre Nrb CBD	310,627.50	-
87395	Consultancy services shrd	456,300.00	6,521,497
87397	Consultancy at Multimedia University	8,995,000.00	10,500,001
87456	Medical lab science IGU	235,000.00	286,250
88567	ISO Training Income	4,783,884.15	4,837,684
		<b>144,933,131</b>	<b>137,916,428</b>

**4(ii) OTHER INCOME:**

70001-01	Accommodation Charges	16,707,345	48,975,395
70004/02/04	House Rent	11,402,379	10,956,901
70008	Water Charges	649,820	517,625
70010	Shop Rent	649,800	637,300
70011	Transport Charges	969,320	66,060
70017	Accrued Interest on fixed deposit	5,328,670	14,074,268
70018-01	Miscellaneous income	10,774,461	14,424,130
70021	Library Fines	4,409	13,035
70023	Laundry Charges	3,754,543	2,602,679
70025	Hire of Graduation Gowns	22,446,094	17,836,736
70029	Bridging Maths	9,789,056	-
70030	Students P.A.Y.E	21,749,083	31,113,671
70032	Project fees	10,496,444	10,308,912
70034	Research/Attachment Fees	62,300	122,529
70037	Journal of Agric	88,500	-
70038	Interest on Deposits and Savings	2,501,904	7,648,707
70039	Project Admin Costs	705,733	1,094,013
70040	JKUAT Hospital Cost Sharing	363,160	356,287
70050	Visitation Income	-	725,250
70051	Sale of tenders	1,047,400	3,252,565
70052	Swimming Pool Charges	-	1,798,471
		<b>119,490,421</b>	<b>166,524,534</b>

**5(i) PERSONAL EMOLUMENTS**

61000	Staff Salary	1,870,112,576	1,284,100,954
61001	Casual Workers	60,145,949	81,086,238
61002	Part-time Teaching	267,202	1,257,073
61040	Gratuity and Pension Contributions	376,906,590	249,958,186
61041	Group Life (Pension) Insurance	19,753,684	15,607,526
61050	House Allowance	928,081,509	805,998,072

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014 KSHS	2012/ 2013 KSHS
61060-1/13-81	Other Personal Allowances	191,041,694	162,978,846
61070	House to Office Allowance	258,308,156	267,220,466
61080	Passage, Baggage/Leave Allowance	14,482,557	15,136,364
		<u>3,719,099,917</u>	<u>2,883,343,725</u>

**5(ii) ACADEMIC COSTS**

11000	Travelling and accomodation	48,024,564	49,831,174
11100	Field courses	13,712,638	16,261,636
12100	Telephone	22,000	3,123
13000	Entertainment	8,028,312	7,071,605
15000	Teaching materials	37,239,800	21,701,431
17300	Library expenses	4,027,537	10,201,512
17400	Stationery and stores	18,693,638	16,994,638
17500	Advertising and publicity	8,920,781	6,766,821
17800	Short Courses	501,000	3,065,375
19000	Cleaning materials	981,768	1,110,947
19500	Attachment Expenses	5,206,816	5,947,275
19600	Research	5,393,575	6,852,133
61197	Research Programme	51,011,006	37,268,731
61113	Kenya Universities and Colleges Central Placement Service	168,677	161,750
61283-01	Examination expenses	26,204,521	22,573,093
61002	Part time-departments	341,364,101	376,085,780
61001	Casual workers -Department	17,926,966	21,005,925
61301	Workstudy	550,330	290,020
		<u>587,978,030</u>	<u>603,192,969</u>

**5(iii) ADMINISTRATIVE COSTS**

110	Travelling and Accomodation	46,332,645	44,204,583
121	Telephone	-	18,509
130	Entertainment	13,416,074	13,254,527
145	Fuel for generator	-	4,409,474
174	Purchase of stationery and stores	25,958,872	30,562,675
176	Foodstuff for patients	487,159	353,471
178	Short Courses	2,015,884	3,639,020
190	Cleaning materials	4,573,138	2,561,579
185	Computer expenses	47,350	12,500
88310	Juja Community	-	957,209
		<u>92,831,122</u>	<u>99,973,546</u>

**5(iv) CAMPUS RUNNING COSTS**

02	Karen Campus	193,916,111.3	237,500,803
03	Nairobi campus	138,933,497.2	95,693,193

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014	2012/ 2013
		KSHS	KSHS
05	Nairobi CBD Campus	94,857,993.5	73,103,523
06	Mombasa CBD Campus	161,276,031.0	179,590,008
10	Kisii CBD Campus	88,653,242.7	59,780,563
11	Kitale CBD Campus	60,552,308.7	65,136,272
12	Nakuru CBD Campus	148,838,065.7	154,068,844
13	Arusha Campus	34,599,891.2	40,256,174
15	Kakamega Campus	80,554,261.9	38,483,811
16	Kisumu CBD	35,695,357.1	11,088,538
19	Kigali Campus	60,311,217.1	33,726,275
		<b>1,098,187,977</b>	<b>988,428,006</b>
<b>5(v)</b>	<b>STUDENTS WELFARE</b>		
110	Travelling and accomodation	4,827,870	6,243,451
130	Entertainment	2,346,951	938,343
174	Stationery and stores	1,547,959	1,347,466
190	Cleaning materials	4,029,549	3,586,868
144	Gas and fuel	3,442,482	13,300,327
160	Food and rations	38,524,142	38,129,525
161	Crockery and utensils	718,205	1,185,835
221	Inter- university games	55,387	263,355
		<b>55,492,544</b>	<b>64,995,171</b>
<b>5(vi)</b>	<b>MAINTENANCE COSTS</b>		
61250-01	Maintenance of plant/mach/equip	24,435,784	25,188,435
61255-01	Repair & Maintenance of Furniture	1,847,652	7,805,173
61260-01	Maintenance of buildings	37,727,620	81,061,563
61270-01	Maintenance of water/sewerage	2,703,197	6,511,096
61280-01	Maintenance of roads/grounds	2,712,040	10,015,318
		<b>69,426,294</b>	<b>130,581,585</b>
<b>5(vii)</b>	<b>MISCELLANEOUS EXPENDITURE</b>		
61281	Show expenses	16,431,488	16,007,595
61282	Graduation expenses	45,607,696	40,304,632
61288	Kabiru-ini Demonstration	1,689,766	2,587,101
		<b>63,728,949</b>	<b>58,899,329</b>
<b>5(viii)</b>	<b>CENTRAL SERVICES</b>		
61091/92-01,09000-01	Medical Expenses	229,351,085	169,039,746
61082	Industrial Training Levy	-	705,350
61100-01	Transport expenses	26,216,437	23,975,526
61112-01	External travelling	20,767,803	30,197,452
61120-01	Postal & telegrams expenses	1,296,128	1,115,374
12100-01	Telephone expenses	3,459,270	5,448,467
12500	UMB Expenses	315,334	1,064,640



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014	2012/ 2013
		KSHS	KSHS
13000-01	Entertainment Expenses	222,625	58,376
13500	Deans and Senate Committee Expenses	349,622	190,500
61130-01	Official entertainment	251,558	1,249,839
61132-01	Conference & seminars	13,245,317	13,147,880
61133	Pension fund expenses	-	654,896
61135	Public celebrations/funerals	5,689,115	3,917,513
61138	Foreign exchange difference	556,575	-
14000-01	Electricity expenses	63,712,134	58,076,136
14500-01	Fuel for Generator	5,358,123	16,935,711
16100-01	Crockery and Utensils	997,208	2,151,778
18400-01	Internet Connectivity	24,812,865	21,318,438
61153-01	Fungicides insecticides & Sprays	885,402	513,800
61171-01	Publishing & printing	9,963,250	15,567,093
61172-01	Purchase of Uniform & clothing	13,112,460	14,768,632
61174-01	Purchase of Stationery	1,575,047	339,971
17500-01	Advertising & Publicity	56,293,871	38,350,401
61177	Disaster Preparedness	-	151,960
61179	Audit fees	3,480,000	3,480,000
61180	ISO expenses	2,528,140	6,073,092
61181/2-01	Rent and Rates	3,975,130	918,158
61184-01	Contracted professional services	33,795,390	38,129,947
61185	Subscription to Professional bodies	2,760,257	3,710,225
61186-01	Hire of transport & machinery	-	75,000
61187	Motor vehicle insurance	6,430,268	5,632,210
18500-01	Computer Charges	1,230,577	1,507,509
19000-01	Misc other charges	-	1,244,270
61191-01	Bank charges/interest	22,918,794	8,536,096
61192	Clearing & forwarding	277,322	314,139
61193	Fees commission & Honoraria Exp.	10,259,141	3,986,448
61194/96	Staff Training expenses	17,159,613	19,913,409
61195	Structured Cabling Systems Expenses	33,960,800	62,882,040
61198	Vice chancellors award expense	1,290,000	-
61203	HELB Penalties Account	91,708	-
61218	Insurance premiums	5,345,311	1,860,934
61285	Staff Pay supplement expenditure	13,000,000	13,390,000
61291-01	Interest on KCB Loan	138,296,494	336,171
61292-01	Legal fees on loan -main campus	19,800,000	-
61295	Innovation & Technology	2,248,460	1,346,155
61362	Depreciation charge	200,460,310	167,687,016
70022	Hire of Equipment	1,858,840	599,629
70050	Visitation Income	331,415	725,250

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/ 2014	2012/ 2013
		KSHS	KSHS
70052	Swimming Pool Charges	330,729	1,798,471
70013	Residential Fees	26,595,833	43,690,500
87045	Farm crops	425,976	968,759
87046	Horticulture Production	134,730	-
87048	Food Processing (FOTEC)	1,668,289	-
87175	Piggery Unit	970	-
87176	Livestock Production	1,657,550	2,792,098
87178	Outside Catering	2,733,896	-
87185	Poultry IGU Project	478,949	-
87341	BEED IGU	57,476	-
87391	GIS/SDCP Consultancy	1,371,680	-
90001	Provision for Bad Debts	66,633,696	-
		<b>1,102,018,972</b>	<b>820,473,867</b>

**5(ix) COUNCIL, COMMITTEE EXPENSES**

61131	Sitting Allowance	12,056,427	15,257,322
61129	Chancellor's Expenses	681,988	785,295
61128	Other Council Running Expenses	4,635,181	1,086,995
		<b>17,373,596</b>	<b>17,129,612</b>

6	FUNDS AND GRANTS	Capital Fund Kshs.	Revaluation Reserve Kshs.	Accumulated Surplus Kshs.	TOTAL KSHS
	Balance as at 30th June 2013	1,942,091,704	1,349,392,123	681,039,251	3,972,523,078
	Surplus for the year	0	0	387,624,348	387,624,348
	As at 30th June 2014	<b>1,942,091,704</b>	<b>1,349,392,123</b>	<b>1,068,663,599</b>	<b>4,360,147,426</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

7	SPECIAL ACCOUNTS AND GRANTS	30.06.2014	30.06.2013	
82088	UNDP-Entrepreneurship	89,764	89,764	Awaiting confirmation from financier
82091	Burnside Church Bursary Fund	7,065	7,065	Awaiting confirmation from financier
82092	JICA-3rd Country Training (Elec)	5,779	5,779	Awaiting confirmation from financier
82097	JKUAT/JACKSON Univ Projects	149,562	149,562	Awaiting confirmation from financier
82100	JICA Research	53,540	53,540	Awaiting confirmation from financier
82101	I.D.R.G. Research Grants	2,990	2,990	Awaiting confirmation from financier
82102	CIVIL ENGINEERING PROD	1,373,056	1,263,475	Awaiting confirmation from financier
82108	Dryland Sorghum & Millet Research	62,514	62,514	Awaiting confirmation from financier
82109	DAAD Scholarship	8,394,772	6,230,897	Awaiting confirmation from financier
82118	FAO Material (Research )	62,390	62,390	Awaiting confirmation from financier
82134	Incountry training	6,967,446	-	Awaiting confirmation from financier
82139	K.P.T.C/J.K.U.A.T Energy	1,966,476	1,966,476	Awaiting confirmation from financier
82144	Simple Tel. Device	737,332	737,332	Awaiting confirmation from financier
82145	Rehabilitation of Horticulture	99,740	99,740	Awaiting confirmation from financier
82150	Agricultural Research Fund	187,237	187,237	Awaiting confirmation from financier
82153	F.A.O. Project ( Prof. Oniang'o )	617,095	617,095	Awaiting confirmation from financier
82160	A.R.F - KARI Research Project	9,596	9,596	Awaiting confirmation from financier
82166	Research Project Admin. Fund	1,806,010	1,806,010	Awaiting confirmation from financier
82196	3rd Country Training Horticulture	3,000		Awaiting confirmation from financier
82197	3rd Country Training- Civil Eng	317,875	317,875	Awaiting confirmation from financier
82201	LVEMP Project	2,897	2,897	Awaiting confirmation from financier
82205	Cassava Processing Project	43,853	43,853	Awaiting confirmation from financier
82206	Biological Tick Control	22,843	22,843	Awaiting confirmation from financier
82208	FAO Advocacy/Training Material	178,947	178,947	Awaiting confirmation from financier
82209	WHO/Danish Bilhaziasis	15,456	15,456	Awaiting confirmation from financier
82211	IEET VOUCHER PROJECT	6,413,603	6,413,603	Awaiting confirmation from financier
82212	Botany /Craft Agro-Foretry Project	18,942	18,942	Awaiting confirmation from financier
82214	Rockefeller Project Prof Imbuga	81,446	81,446	Awaiting confirmation from financier
82219	Ushepia workshop fund	266,756	266,756	Awaiting confirmation from financier
82220	Pesticide free beans project	325,328	325,328	Awaiting confirmation from financier
82233	Rockefeller Project Poverty Reduction	214,293	214,293	Awaiting confirmation from financier
82234	NUFU Funds -Norway	4,411,172	4,554,015	Awaiting confirmation from financier
82235	Isotopic Nuclear Techniques	-	66,551	Awaiting confirmation from financier
82236	African vegetable Research project	5,572	5,572	Awaiting confirmation from financier
82238	Computerization Fund	100,603	100,603	Awaiting confirmation from financier
82239	CISCO	12,199,342	12,114,660	Ongoing
		<b>47,214,292</b>	<b>38,095,102</b>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014

7 Cont'	SPECIAL ACCOUNTS AND GRANTS DETAILS	2013/2014 KSHS	2012/2013 KSHS	
82245	Rockefeller-DR. Keriko	4,095	4,095	Ongoing
82249	WAITRO	520,156	520,156	Ongoing
82254	Inter-University C.E.A Prof Boga	1,961,108	3,301,096	Ongoing
82255	IFS Grants	1,971,654	1,272,844	Ongoing
82259	HIV AIDS	1,013,690	1,111,605	Ongoing
82260	AICAD Research	1,211,519	1,756,326	Ongoing
82287	International Institute for Trop Agr (IITA)	103,245	103,245	Awaiting confirmation from financier
82303	Roforum Project	242,843	242,843	Awaiting confirmation from financier
82321	VANILLA PROJECT	374,080	374,080	Awaiting confirmation from financier
82322	CHE RESEARCH PROJECT	1,213,043	1,213,043	Awaiting confirmation from financier
82328	Engineering Information Foundation	446,833	446,833	Awaiting confirmation from financier
82331	CFH Foundation Prof Anne Muigai	8,453	-	Ongoing
82338	Pyrethrum post harvest handling project-Dr Gachanja	996,251	1,389,670	Ongoing
82342	GCHERA Conference Sponsorship	2,368,836	2,255,196	Ongoing
82354	GTZ-Drought tolerant project	519,717	527,337	Ongoing
82355	Rice Project-Prof.Kahangi	1,181,877	4,791,877	Ongoing
82356	Indigenous Vegetables	2,440	1,706,290	Ongoing
82359	Bio-Earn	6,631,895	6,631,895	Ongoing
82360	KAPP	109,192	109,192	Awaiting confirmation from financier
82361	Kilimo Trust	897,165	897,165	Awaiting confirmation from financier
82372	NCST	17,895,715	16,573,930	Ongoing
82374	AKTP- Dr. Waweru	801,366	801,366	Awaiting confirmation from financier
82375	EEAI	215,000	215,000	Awaiting confirmation from financier
82376	ASARECA	7,227,098	4,399,524	Ongoing
82378	IDRC	352,646	352,646	Awaiting confirmation from financier
82379	AHIS	204,820	204,820	Awaiting confirmation from financier
82382	KNBS	36,252,963	36,242,963	Ongoing
82384	FVRP	349,593	1,094,018	Ongoing
82385	Macaulay Institute	31,716	31,716	Awaiting confirmation from financier
82388	Pennsylvannia State University	7,722	7,722	Awaiting confirmation from financier
82389	Kaduna Project	10,670,647	11,772,773	Ongoing
82399	HIV Self Testing - Dr Kenneth Ngunjiri	992,433	-	Ongoing
82401	HORTINLEA - Sub Project 1 (Dr Wesonga)	2,810,521	-	Ongoing

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

<b>7 Cont'</b>	<b>SPECIAL ACCOUNTS AND GRANTS DETAILS</b>	<b>2013/2014 KSHS</b>	<b>2012/2013 KSHS</b>	
82403	HORTINLEA - Sub Project 2 (Prof Losenge)	106,240		- Ongoing
82404	HORTINLEA - Sub Project 4 (Dr Wesonga)	630,474		- Ongoing
82568	BMGF	10,618,201	10,156,077	Ongoing
82569	ECOTACT	13,000	13,000	Awaiting confirmation from financier
82570	HENNE project	841,476	841,476	Awaiting confirmation from financier
82573	RUFORUM	440,877	505,044	Ongoing
82574	CASARD Project	202,600	202,600	Awaiting confirmation from financier
82575	Agribusiness Incubator Con- sortium	384,804	2,509,804	Ongoing
82577	Sorghum KAPAP Project	440,186	227,942	Ongoing
82580	Thika Highway Scoping Study -Prof Zachary	268,000	268,000	Awaiting confirmation from financier
82582	BEANS PROJECT-DR DANIEL SILA	3,478,905	2,341,652	Ongoing
82583	KAPAP MANGO PROJECT- KARI	2,131,450	991,500	Ongoing
82584	ILRI Project Esther Kahangi	2,555,579	346,185	Ongoing
82585	GLOWS Project-Hannah Ngugi	48,170	50,200	Ongoing
82586	ILRI Project Dr Daniel Sila	19,902	4,009,733	Ongoing
82587	Baylor Project-Dr Mutwiwa	780,400	459,200	Ongoing
82588	Storerooms Project Dr Stephen Kimani	15,006	251,406	Ongoing
82589	Bill and Melinda Gates Dr Amos Alakonya	863	1,955,983	Ongoing
82590	Climate Change Impacts- Mark Boit	136,983	5,375	Ongoing
82591	Computer Science for High Schools	10,000	10,000	Awaiting confirmation from financier
82592	JKUAT Institutional Resposi- tory	267	267	Awaiting confirmation from financier
82593	Fish Farming	770		- Ongoing
82595	Coconut Project - Dr Nyende	358	52,358	Ongoing
82596	Ruforum -Dr John Bosco	1,696,075	1,180,856	Ongoing
82597	Jkuat-UNAM Video Conf. Project	-	3,096,862	Ongoing
82599	Tana Basin-Prof Bancy Mati	-	191,100	Ongoing
82600	DVL PLANT ANGRO-Prof Wariara Kariuki	176,199	17,719	Ongoing
82601	Grand Challenges Canada Dr Hellen Kutima	2,925,098	7,890,000	Ongoing
		<b>127,512,215</b>	<b>176,020,707</b>	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

<b>7 Cont'</b>	<b>SPECIAL ACCOUNTS AND GRANTS DETAILS</b>	<b>2013/2014 KSHS</b>	<b>2012/2013 KSHS</b>
82603	Triple - L West Pokot - Dr Peter Mwangi	26,600	Ongoing
82604	SOLAMACEAE GEMOMICS - Dr Willis Owino	6,540,145	Ongoing
82605	Insurance Regulatory Authority - Dr Willy Mu- turi	55,746	Ongoing
82606	JKUAT - KAPAP Training Curriculum - Nyori Mbugua	1,463,575	Ongoing
82607	Renewable Energy for Food -Prof C. Kanali	3,534,706	Ongoing
82608	GREEiNSECT (DANIDA) -Dr Kinyuuru	134,474	Ongoing
82609	Tropical Sweet Potato (ICGEB) - Dr S. Anami	1,041,312	Ongoing
82610	Tsavo Project (WWF - EN) - Prof B. Mati	300,050	Ongoing
82611	Pasufons - Prof Ngamau	4,622,587	Ongoing
82612	ELEFANS - Prof. A. Makokha	1,682	Ongoing
82613	JENGA - Dr. Stephen Diang'a	499,929	Ongoing
82614	LIANE - Dr Stephen Diang'a	991,640	Ongoing
82615	METEGA - Dr Hiram Ndiritu	1,394,814	Ongoing
82617	HORTINLEA Sub Project 13 -Prof Losenge	535,083	Ongoing
82618	Postharvest Studies of Tomato - Dr Willis Owino	715,626	Ongoing
82622	Student for Development Project - Pamela Owour	527,715	Ongoing
		<b><u>197,112,191</u></b>	<b><u>176,020,707</u></b>

## NOTE 8

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**  
**PROPERTY, PLANT AND EQUIPMENT**

	WORK IN PROGRESS	LAND	BUILDINGS	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENTS	PLANT & MACHINERY	MOTOR VEHICLES	TOTAL
<b>DEPRECIATION RATES</b>			2%	10%	30%	10%	20%	
Cost/Valuation 01.07.12	383,843,778	1,220,400,000	2,295,664,500	182,211,253	311,650,768	429,487,700	133,398,334	4,956,656,333
Transfers to Taita Taveta Campus	95,369,208	15,000,000	241,800,000	16,669,656	19,636,751	616,000	5,303,000	394,394,615
Additions in the year	228,770,757	-	-	27,700,434	88,459,719	-	27,936,990	372,867,900
As at 30.06.2013	517,245,327	1,205,400,000	2,053,864,500	193,242,031	380,473,736	428,871,700	156,032,324	4,935,129,618
<b>DEPRECIATION</b>								
Accumulated as at 01.07.2012	-	-	135,003,438	44,393,588	155,015,966	116,391,167	53,235,804	504,039,963
Depreciation on Transfers	-	-	14,314,560	4,475,155	12,107,743	172,480	3,181,800	34,251,738
Charge for year			38,090,930	14,437,329	64,005,008	31,230,805	19,922,944	167,687,016
As at 30.06.2013	-	-	158,779,808	54,355,762	206,913,231	147,449,492	69,976,948	637,475,241
NBV(2012/2013) Restated	517,245,327	1,205,400,000	1,895,084,692	138,886,269	173,560,505	281,422,208	86,055,376	4,297,654,377
NBV(2011/2012)	383,843,778	1,220,400,000	2,160,661,062	137,817,665	144,769,071	313,096,533	80,162,530	4,440,750,639

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**  
**PROPERTY, PLANT AND EQUIPMENT**

	WORK IN PROGRESS	WORK IN PROGRESS		BUILDINGS	FURNITURE & FITTINGS		COMPUTERS & EQUIPMENTS		PLANT & MACHINERY		MOTOR VEHICLES		TOTAL
		LAND			2%	10%	10%	30%	10%	20%			
DEPRECIATION RATES													
COST/ VALUATIONS													
As at 01.07.2013	517,245,327	1,205,400,000	2,053,864,500	193,242,031	380,473,736	428,871,700	156,032,324	4,935,129,618					
ADDITIONS IN YEAR	2,974,730,622	2,877,309,161		12,361,781	149,782,269	1,150,000	24,813,415	6,040,147,247					
	3,491,975,949												
LESS TRANSFERS TO LAND	(2,877,309,161)												(2,877,309,161)
As at 30.06.2014	614,666,788	4,082,709,161	2,053,864,500	205,603,812	530,256,005	430,021,700	180,845,739	8,097,967,705					
DEPRECIATION													
Accumulated at 01.07.2013	-	-	158,779,808	54,355,762	206,913,231	147,449,492	69,976,948	637,475,241					
Charge for the year		-	37,901,694	15,124,805	97,002,832	28,257,221	22,173,758	200,460,310					
As at 30.06.2014	-	-	196,681,502	69,480,567	303,916,063	175,706,713	92,150,706	837,935,551					
NBV(2013/2014)	614,666,788	4,082,709,161	1,857,182,998	136,123,245	226,339,942	254,314,987	88,695,033	7,260,032,154					
NBV(2012/2013)	517,245,327	1,205,400,000	1,895,084,692	138,886,269	173,560,505	281,422,208	86,055,376	4,297,654,378					
Restated													



<b>NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014.</b>						
<b>8(i)</b>	<b>WORK IN PROGRESS AS AT 30.06.2014</b>					
<b>VOTE</b>	<b>DETAILS</b>	<b>BAL B/F</b>	<b>ADDITIONS</b>	<b>TOTAL</b>	<b>TRANSFERS (CAPITALIZED)</b>	<b>BALANCE</b>
62403-01	Lecture Halls	26,242,620	-	26,242,620	-	26,242,620
62405-02	Construction of Karen library extension	7,901,965	-	7,901,965	-	7,901,965
62406-01	Science Complex	183,417,241	57,936,235	241,353,476	-	241,353,476
62407-02	Ace Building-Karen	12,886,921	-	12,886,921	-	12,886,921
62408-01	Main Gate	23,178,815	945,100	24,123,915	-	24,123,915
62408-03	Main Gate-Nairobi Campus	150,120	-	150,120	-	150,120
62414-01	Swimming Pool	88,046,412	7,208,370	95,254,782	-	95,254,782
62416-01	NSC-Hosp Road	11,594,786	0	11,594,786	-	11,594,786
62411	Extension of Admin block	28,801,887	68,776,236	97,578,123	-	97,578,123
62417	Industrial & Tech PA	14,595,259	21,752,039	36,347,298	-	36,347,298
62418-03	Construction of Lab-Nairobi Campus	632,062	-	632,062	-	632,062
62422-01	Purchase of Land-Main Campus	100,000,000	2,437,151,250	2,537,151,250	(2,537,151,250)	-
62422-06	Purchase of Land-Mombasa Campus		340,157,911	340,157,911	(340,157,911)	-
62419-01	Construction of Jkuat Boundary Wall	16,419,026	26,564,713	42,983,739	-	42,983,739
62426-01	BEED-Hall 7 Road	3,378,213	14,238,768	17,616,981	-	17,616,981
	<b>TOTAL</b>	<b>517,245,327</b>	<b>2,974,730,622</b>	<b>3,491,975,949</b>	<b>(2,877,309,161)</b>	<b>614,666,788</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

<b>9</b>	<b>INVENTORIES</b>	<b>2013/2014</b>	<b>2012/2013</b>
		<b>KSHS</b>	<b>KSHS</b>
50025	Finance store	26,342,896	29,078,510
50027	Health Centre	6,153,723	3,794,968
50029	Petrol pump	799,507	690,485
50030	Catering Store	1,587,176	1,072,415
50051	Food Science Store	-	940,816
50085	Bookshop Main Store	4,398,542	5,917,250
50194-01	Bookshop Shopfloor	1,670,923	3,540,745
50194-02	Karen Campus - Main store	5,945,099	5,381,242
	<b>TOTAL</b>	<b>46,897,866</b>	<b>50,416,431</b>
<b>10</b>	<b>TRADE AND OTHER RECEIVABLES</b>		
86008	Sundry Debtors	129,406,323	163,386,139
86013	Prepayments	25,759,576	7,753,190
70003	Grant receivables	122,128,935	127,184,030
86010	Student debtors	423,080,081	-
80021	Gratuity	-	77,994
80022	Pension Scheme	-	700,960
85024	Dept Petty Cash	139,170	123,400
84043	R.D Cheques	-	-
86052	Christian Union	86,600	86,600
86012	Jkuat Department Debtors Account	486,431	539,571
80053	Versity Loan MOE	15,821	15,821
86064	Guarantee Deposits	22,002,365	14,640,129
80065	H.F.C.K house loans	5,016	5,016
80070	NHC- Houseloan	10,085	10,085
80073	Staff Car Loan	3,461,653	4,949,105
80074	N.B.K. Car loans Defaulters	1,279,400	1,279,400
80079	Staff Housing Mortgage Scheme	1,093,546	1,093,546
88078	Staff car Loan recoveries	-	76,768
88082	Honours Donation List	340,000	340,000
80351	JKUAT Benevolent Fund	390,434	230,000
80365	NSSF Voluntary Conibutions	-	7,800
88110	J.K.U.S.O	42,730,931	31,180,168
80114	Staff Housing Co-op	2,678,109	2,678,109
80143	Staff Bonus	-	81,666
80146	Pledges	14,400	-
80256	Amedo Centre	8,833	8,833
80261	Staff Loan Repayment - NBK Bank	1,300,503	1,300,503
80186	University bonus share	95,488	95,488
86221	Kenet Trust Fund	1,458,776	1,458,776
88247	ADS ADP Student Union	2,274,867	2,274,867
88286	JKUSO Student Union	2,574,462	2,574,462
88273	Award Account - Vice Chancellor	1,790,000	1,790,000

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/2014	2012/2013
		KSHS	KSHS
86277	JKUAT Enterprises	3,315,849	3,312,629
80311	Loan Repayment Staff - KCB	-	54,165
88314	JKUHRDA	1,258,700	1,258,700
86337	Kimathi Institute	3,565,696	3,565,696
86338	Multimedia University	67,760	-
80339	Equity Loan	67,714	67,714
85888	Imprest Control	12,419,289	12,914,715
82134	Incountry Training	-	1,763,064
82090	3rd Country Training ( A ) (FT )	336,266	336,266
82137	Banana Project	1,668,255	1,242,315
82140	K.P.T.C/J.K.U.A.T Transm.	680,452	680,452
82159	Walking Tractor Project	1,087,519	1,087,519
82165	Banana Tissue culture	346,378	336,378
82213	AICAD	3,459,108	3,459,108
82216	Rockefeller Project Prof Kahangi	40,558	40,558
82231	American Chemical Society	109,717	109,717
82232	UNESCO Chair biotechnology	2,960	2,961
82235	ISOTOPIC NUCLEAR TECHNIQUES	233,449	-
82268	JKUAT World Bank Fund	1,012,635	1,012,635
82282	IASTE Students Exchange	1,530,876	1,104,549
82283	SABS Project Office	1,499,649	1,499,649
82396	Unibrain Development grant	718,777	-
82266	Innovations and production project	2,663,602	2,733,202
82308	AVOIR	381,265	101,265
82319	Pathfinder Project Itromid	146,706	146,706
82320	ICAP COLUMBIA PROJECT INTROMID	272,456	272,456
82324	Florida University project	44,682	44,682
82353	Sweet Potato Project	27,276	27,276
82369	FARA	98,020	98,020
82373	KMFRI Solar Tunnels	206,871	206,871
82394	Association of African Universities Research	42,469	42,469
82398	Applied Geoinformatics for Science	334,670	334,670
82400	HORTINLEA -Local Coordination	31,346	-
82402	HORTINLEA - Sub Project 6	377,464	-
82571	Biogas for fuel Project	840,850	769,420
82572	Bournemouth University Dr Waweru	145,421	145,421
88399	Jkuat Wanachuo Investment Co	154,860	-
88400	Staff Land Scheme -Phase 3 (Kajiado)	7,780,400	17,165,798
82576	Centre for Health Solutions	229,848	78,466
82578	ANAFE Agribusiness Project	-	254,797

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/2014	2012/2013
		KSHS	KSHS
82579	Nissin Noodles Project	115,000	115,000
82581	EA Universities ACCESSION Project	33,757	33,757
82593	Fish Farming -Dr Joseph Wakibia	-	4,000
82597	Jkuat - UNAM Video Conf. Project	960,827	-
	<b>SUB-TOTAL</b>	<b>832,921,202</b>	<b>422,365,491</b>
	<b>LESS</b>		
90001	Provision for bad debts	66,633,696	33,405,925
	<b>TOTAL</b>	<b>766,287,506</b>	<b>388,959,566</b>

11(a)	CODE	CASH AND BANK BALANCES		
	80033	KCB Fixed Deposit	42,159,700	78,608,598
	84037	Cash in Hand	1,924,696	-
	84172	Bank A/C (KCB) Project Current Account	7,328,088	17,716,172
	84189	Bank A/C (KCB) Hospital	5,849,755	2,654,086
	84190	Bank A/C(KCB) AICAD	226,254	231,294
	84191	Bank A/C(KCB) Production	3,943,998	6,094,959
	84193	Bank A/C (KCB) Mombasa CBD	-	19,908,688
	84225	Standard bank-student fees	3,090,632	4,987,323
	84227	KCB - Incountry Training	6,523,999	1,675,068
	84240	NBK - CISCO Ruiru	2,046,737	4,393,860
	84265	KCB -Bank A/C AIDS Control	210,648	215,688
	84302	NBK Student Bursary	1,412,108	1,399,787
	84304	STANDARD BANK A/C KAREN CAM-PUS	535,729	280,381
	84312	KCB JKUAT Babaroa	338,579	6,147
	84330	KCB JKUAT Staff Housing Devt. Bank A/C	12,012,163	23,821,317
	84331	KCB AGSE A/C	4,075,181	4,072,781
	84335	Equity Bank Fees A/C	5,037,226	11,393,196
	84336	Cooperative Bank -Fees Account	3,007,203	6,703,021
	84343	NBK Fees A/C	4,933,924	9,121,881
	84350	BBK Students Fees a/c	8,744,498	5,657,751
	84355	Nairobi Campus KCB Bank A/c	3,044,663	26,754,227
	84357	Karen Campus KCB Bank A/C.	-	3,025,221
	84376	BBK Nairobi CBD Bank account	-	17,744,659
	84385	Fundilima FOSA Bank Account	-	671,628
	84388	KCB Arusha Bank A/c	4,026,431	552,552
	84393	Ecobank	2,428,812	1,610,472
	84394	NBK Main A/C	-	1,626,129
	84396	KCB Kigali Bank A/c	-	37,599
		<b>TOTAL</b>	<b>122,901,026</b>	<b>251,244,866</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014**

		2013/2014	2012/2013
		KSHS	KSHS
<b>11(b)</b>	<b>BANK OVERDRAFT</b>		
84163	BANK A/C KCB-Main	78,162,737	66,839,075
84192	Bank A/C(KCB) CEP	8,272,338	4,722,932
84193	KCB MSA CBD	6,854,196	-
84199	Bank A/C(KCB) - ADP	1,365,356	4,655,675
84270	KCB - SABS	480,946	728,477
84244	KCB BANK A/C RUIRU JKUAT I.T CENTRE	3,325,458	608,987
84357	Karen Campus Bank A/C.	8,713,680	-
84376	NBI CBD Bank (BBK)	1,344,490	-
84381	BBK SHRD	10,394,510	4,074,270
84385	Fundilima FOSA	1,358,007	-
84386	BBK COETEC	7,022,588	20,778,323
84387	Faculty of Agriculture (BBK)	4,746,053	833,125
84394	NBK Main A/C	28,873,449	-
84396	KCB Kigali Bank A/c	697,241	-
	<b>TOTAL</b>	<b>161,611,049</b>	<b>103,240,865</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014

12	TRADE AND OTHER PAYABLES	2013/2014	2012/2013
		KSHS	KSHS
		2013/2014	2012/2013
80005	N.S.S.F	91,315	185,455
80009	Imprest recoveries	6,627,728	5,236,031
80013	Miscellaneous Deduction	729,133	748,133
80022	Pension Scheme	9,847,509	-
80039	Caution Money and key deposit	20,300	20,300
80040-01	Students activity fund	58,683,402	42,517,492
88056	Deposit in Transits	4,640,216	4,562,420
88069	Alumni Association	10,253,278	6,727,786
80076	K.N.A. Loans	546	546
80080	Insurance Claims	2,948,942	4,753,062
80096	Pension Scheme Refunds	788,629	788,629
88130	Students Deposit in Transit	3,394,091	3,394,091
88161/2	Sundry Creditors	905,105,402	714,154,980
80291	Barclays Bank-loan repayment	81,141	81,141
80334	Cooperative loan Githurai	9,204	7,649
88078	Staff Car Loan Recoveries	-	84,444
88284	Jkuat Enterprise recovery	5,106	5,105
88315	Staff Land Scheme-Kalimoni	23,297,010	23,161,370
88388	Staff Land Scheme-Blue post	54,586,725	69,719,504
88999	Stock clearing	-	12,845,049
90020	Provision for Leave Pay	26,180,918	26,180,918
90021	Provision for Audit Fees	3,480,000	3,480,000
		<b><u>1,110,770,590</u></b>	<b><u>919,085,599</u></b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014

### 13. INVESTMENTS

JKUAT Enterprises is a wholly owned Company of JKUAT. The University put an initial capital investment up to Kshs.25.6 million.  
Nissin Holdings is a joint venture between JKUAT (30%) and NISSIN (70%). The University invested Kshs.150 Million in the company.

### 14. BANK LOAN

The University obtained a loan from Kenya Commercial Bank of Kshs.2,550,000,000.

### 15. BIOLOGICAL ASSETS

	2013/2014	2012/2013
<b>Balance as at 30.06.2014</b>	<b>Kshs.7,878,700</b>	<b>Kshs.6,951,000</b>

Biological Assets in the University are valued on the basis of prevailing market rate as at the closure of the financial year

### 16. CURRENT LIABILITIES

Included in current liabilities are the project special accounts and grants of Kshs.197,112,191. These were reclassified from University funds and grants following adoption of new reporting standards - IPSAS in this 2013/2014 financial statements, which has had an effect on the working capital.

Other effects on the working capital as reported in the financial statements include:

- The University spent Kshs.535,421,461 from internal resources towards financing capital projects namely: lecture halls, laboratories and administration block. These projects are aimed at enhancing student admission capacity and are expected to result in increased cashflows in subsequent financial years.
- During the financial year under review, the University anticipated receipt of Kshs.1Billion from the National Treasury to support capital projects in the current financial year. The same is expected to be received in the current period.



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