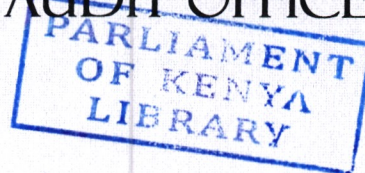


REPUBLIC OF KENYA



26/6/2014

KENYA NATIONAL AUDIT OFFICE



REPORT

OF

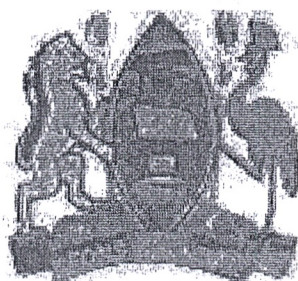
THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
KISII UNIVERSITY**

**FOR THE YEAR ENDED
30 JUNE 2013**

KISII UNIVERSITY



**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 30TH JUNE 2013

KISII UNIVERSITY

P.O. Box 408 - 40200
KISII, Kenya
Telephone (058) 30826
Fax: (058) 31140
Kisun~co@gmail.com



Kisii University Annual Report & Financial Statements for the year ending 30th June, 2013

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Establishment

Kisii University is a body corporate established through Kisii University Charter of 2013 and Universitys' Act No 42 of 2012.

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Kisii University
P.O. Box 408 - 40200
KISII
KENYA

BANKERS

National Bank of Kenya
Kisii Branch

Co-operative Bank of Kenya
Kisii Branch

Kenya Commercial Bank
Kisii Branch

LAWYERS/ADVOCATES

A.K. Nyairo Advocates

INDEPENDENT AUDITORS

Auditor General
Kenya National Audit Office
P.O. Box 30084 - 00100
NAIROBI
KENYA

Vision and Mission of Kisii University

(i) **Vision**

A world Class University in advancement of Academic Excellence, Research and Social welfare.

(ii) **Mission**

To train high level human resource that meets the development needs of the country and international labour market, sustain production of quality and relevant research and consultancy; disseminate knowledge, skills, values and competencies for the advancement of humanity.

Core Business of Kisii University

The Core business of the University as provided by Kisii University Charter and the Universitys' Act no 42 of 2012 include:

- Provision 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;
- Participation in the discovery, transmission and preservation and enhancement of knowledge and stimulating the intellectual participation of students in economic, social, cultural, scientific and technological development in Kenya;
- Provision and advancement of university education and training of appropriately qualified candidates leading to 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.
- Conducting the examinations for such academic awards as may be provided in the statutes pertaining to the University and
- Examining and making proposals for new Faculties, Schools, Institutes, Departments, Resources and Research centres, degree courses and subjects of study.

University Council members

Chairperson

DR. Eng. Sebastian Mwarania.

Other members of the University Council

Mr. Joseph Ndubi Kesa, HSC	Member
Prof. Mary N. Getui, MBS	Member
Mr. Abdulhamid A. Saleh Said	Member
M/S. Angeline Wawuda Sonje	Member
Mr. Nimrod K. Waweru	Rep. Ps National Treasury
Mr. James M. Kiburi	Rep. PS Ministry of Education Science and Technology
Prof. John S. Akama	Vice Chancellor

University Chief Officers

Vice chancellor

Prof. John S. Akama

Deputy Vice Chancellor (Administration & Finance)

Prof. Joseph T. Mailutha

Deputy Vice Chancellor (Academic Affairs)

Prof. Maurice Nyamanga Amutabi

Registrar (Academic Affairs)

Prof. Philip Owino

Director Research and Extension

Prof. Anakalo Shitandi

Registrar (Administration)

Mr. Christopher Nyenze

A.g Finance Officer

Mr. Johnson M. Mwaura

Dean Faculty of Education and Human Resource Development

Dr. Peter Nyakan

Dean Faculty of Commerce

Mr. Martin Lumumba

Dean Faculty of Information Communication and Technology

Dr. Raymond Ongusi

Dean Faculty of Agriculture & Natural Resource Management

Dr. Evans Basweti

Dean Faculty of Law

Dr. Charles Moitui

Dean Faculty of Health Sciences

Dr. Benson Nyachongi

Kisii University Annual Report & Financial Statements for the year ending 30th June, 2013

Ag. Dean Faculty of Engineering and Technology
Mr. Edwin O Makworo

Dean Faculty of Arts And Social Sciences
Dr. Erick Ogwora

Dean Faculty of Applied and Pure Sciences
Dr. Tom Nyangau

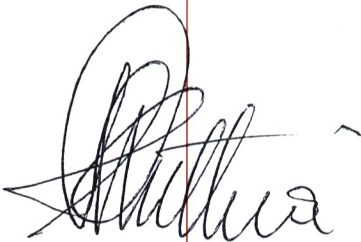
STATEMENT FROM THE CHAIRMAN OF THE UNIVERSITY COUNCIL

The University Council was constituted by his Excellency the President of the Republic of Kenya on 4th February 2013. The mandate of the Council among other responsibilities is to give policy guidelines in order to ensure the smooth operations of university activities.

It is my pleasure to note that the staff members of this University, under the able leadership of the Vice Chancellor, had worked hard during the last Four and half years towards attaining this objective.

Finally, I wish to thank the Government of the Republic of Kenya for the financial support and other procedural guidelines extended to the University. Through this support, the University has been able to construct and complete an ultra Modern Library with sitting capacity of about 3,500 students, two hostels with a capacity of 400 students and one administration block in addition to the other projects which are under construction namely lecture theatres, Ict Center, and Hostels.

The University has also been able to recruit teaching staff from as low as 7 staff members about four years ago to the current number of 145. The student population has also increased from 300 in the year 2007/2008 financial year to current level of 7,500 students.



DR. ENG. SEBASTIAN MWARANIA

**VICE CHANCELLOR'S REPORT FOR THE YEAR ENDED
30TH JUNE, 2013**

I have the pleasure to present the Annual Report and Financial Statements of Kisii University for the year ended 30th June, 2013

During the year under review the University realized a surplus of Kshs. 28,895,000 as compared to a surplus of Kshs. 32,331,000 for the year ended 30th June, 2012. The reduction in surplus is attributed to use of more funds in the physical expansion which took place during the year, resulting in creation of three more Faculties

The University intensified Income Generating Activities especially the Self Sponsored Programmes. This resulted in an increase in tuition fee collected from kshs.590,441,000 in the year 2011/2012 to ksh. 672,553,000 during the year 2012/2013.

The University continued with its Core business of teaching, training and Research. The students total population rose from 6,500 to 7,500 during the year under review.

On behalf of Kisii University I wish to take this opportunity to thank the Government for financial support.

Finally, I would like to express my thanks to the University Council for providing policy guidelines and the entire University community for working tirelessly to ensure successful and smooth operations of the University. I also wish to thank the Government for the financial support accorded to the university and the defunct County Councils of Gusii, Gucha and Nyamira for allocating some parcels of land to the University.



**Prof. John S. Akama, PhD.
VICE CHANCELLOR**

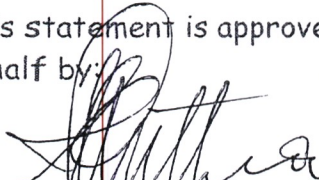
COUNCIL MEMBERS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS


The Kisii University Charter and the universities' Act No 42 of 2012 requires the Council to ensure preparation of Financial Statements for each Financial year, 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 the University surplus, or deficit for the year. The Charter and the Act require the Council members to ensure that the University keeps proper accounting records that disclose, with reasonable accuracy, the financial position. They are also responsible for safeguarding the University's assets.

The Council members accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Universities' Act of 2012. The Council members are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the University as at 30th June 2013 and the university's surplus. The Council members further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial controls.

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

This statement is approved by Council Members and it is signed on their behalf by:


DR. ENG. SEBASTIAN MWARANIA
CHAIRMAN OF THE COUNCIL


Prof. John S. Akama, PhD.
VICE CHANCELLOR



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON KISII UNIVERSITY FOR THE YEAR ENDED 30 JUNE 2013

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Kisii University set out on pages 12 to 29, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in reserves and 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.

Council Members' Responsibility for the Financial Statements

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

The Council 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 of 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 report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with 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 involved performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, 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 qualified audit opinion.

Basis for Qualified Opinion

1. Financial Position

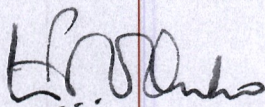
As similarly reported in the previous year, the University's current liabilities totalling to Kshs.572,783,000 as at 30 June 2013 exceeded the current assets of Kshs.308,798,000 resulting in negative working capital of Kshs.263,985,000 (2012:Kshs.225,929,000). The University is therefore technically insolvent and its continued operation as a going concern is dependent on the financial support from the Government and creditors.

2. Land

The property, plant and equipment balance of Kshs.1,994,511,000 includes freehold land valued at Kshs.94,350,000 which, as reported in the previous year could not be verified because the documents were not availed for audit confirmation. Further, five (5) pieces of land out of the nine (9) owned by the University do not have title deeds. In the circumstances, it has not been possible to ascertain the ownership status of the five pieces of land and that the property, plant and equipment balance of Kshs.1,994,511,000 as at 30 June 2013 is fairly stated.

Qualified Opinion

In my opinion, except for the effect of the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the university as at 30 June 2013, and of its financial performance and its cash flow for the year then ended, in accordance with International Financial Reporting Standards and comply with the Universities Act, 2012.



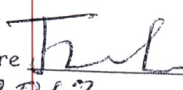
Edward R.O. Ouko, CBS
AUDITOR-GENERAL

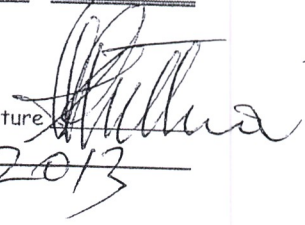
Nairobi

27 May 2014

KISII UNIVERSITY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2013

	NOTES	2012/2013 KSHS 000	2011/2012 KSHS 000
NON CURRENT ASSETS			
Property, Plant and Equipment	2(A)	1,994,511	1,652,294
Biological Assets	2(B)	907	2,984
		1,995,418	1,655,278
CURRENT ASSETS			
Inventories And Stores	3	4,841	6,799
Accounts Receivables	4	290,240	199,656
Cash and Bank Balances	5	13,717	23,534
		308,798	229,989
TOTAL ASSETS		2,304,216	1,885,267
EQUITY & LIABILITIES			
Accumulated Capital Fund		1,460,455	1,187,266
Revenue Reserve		270,978	242,083
		1,731,433	1,429,349
CURRENT LIABILITIES			
Provisions	6	2,205	2,125
Accounts Payables	7	570,578	453,793
Bank overdraft			
		572,783	455,918
TOTAL EQUITY & LIABILITIES		2,304,216	1,885,267

Vice Chancellor's Signature 
 Date 24/9/2013

Council Chairman's Signature 
 Date 25/09/2013



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2013

<u>INCOME</u>	NOTES	2012/2013 KSHS000	2011/2012 KSHS000
TUITION FEES	8	672,553	590,442
INCOME GENERATING UNITS	9	18,578	29,130
EXCHEQUER ALLOCATIONS	10	449,400	288,000
TOTAL INCOME		1,140,531	907,572
<u>EXPENDITURE</u>			
STAFF COSTS	11	644,862	426,656
OTHER OPERATING COSTS	12	315,955	307,397
PART-TIME LECTURER'S EXPENSES	13	113,606	112,156
COUNCIL EXPENSES	14	15,575	10,057
PROVISION FOR DEPRECIATION	15	21,057	16,850
PROVISION FOR AUDIT FEES	6	580	500
PROVISION FOR SERVICE GRATUITY	6	0	1,625
TOTAL EXPENDITURE		1,111,635	875,241
REVENUE RESERVE		28,895	32,331

**STATEMENT OF CASHFLOWS FOR THE YEAR
ENDED 30TH JUNE 2013**

	KSHS000 2012/2013	KSHS000 2011/2012
Cash Flows From Operating Activities		
Surplus / Deficit for the year	28,895	32,331
Adjusted for:		
Increase in Provision for Audit Fee	80	182
Depreciation	21,057	16,850
Gain On Disposal Of Assets	(895)	
		500
	<u>49,137</u>	<u>49,863</u>
Changes in Working Capital		
Decrease in Biological Assets	2,078	(353)
Decrease in Inventories	1,958	(2,223)
Increase in Receivables	(90,584)	(102,318)
Increase in Payables	116,785	187,917
Net Cash From Operating Activities	<u>79,374</u>	<u>132,886</u>
Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment	(365,480)	(477,170)
Proceeds From Disposal Of Assets	3,100	
Capital Grant	273,189	350,693
Net Cash Used in Investing Activities	<u>(89,191)</u>	<u>(126,477)</u>
Net Increase in Cash and Equivalents	-9,817	6,409
Cash and Equivalents at Beginning of Period	23,534	17,125
Cash and Equivalents at End of Period	<u><u>13,717</u></u>	<u><u>23,534</u></u>

STATEMENT OF CHANGES IN RESERVES

	Notes	Owner's Funds	Reserve Fund	Total
		kshs000	kshs000	kshs000
Balance as at 30/06/11		836,573	209,752	1,046,325
Add: Capital Grants	16	350,693		350,693
Revenue Reserve for the Year			32,331	32,331
Balance as at 30/06/12		1,187,266	242,083	1,429,349
Add: Capital Grants		273,189		273,189
Revenue Reserve for the Year			28,895	28,895
Balance as at 30/06/13		1,460,455	270,978	1,731,433

Notes to Financial Statements

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards. The Significant accounting policies adopted are as follows:-

a) Basis of preparation

The financial statements have been prepared under the historical cost convention.

b) Revenue and expenditure recognition

Income including tuition fee is recognized in the period in which it is earned, while expenditure is recognized when it is incurred.

c) (i) Governments grants (Capitation)

The government Capitation grants are recognized as income in the Income Statement, as per IAS 20, i.e. income approach treatment.

(ii) Government grants (Capital Development)

The capital grants are recognized and credited to the owners fund as per IAS 20.

d) Property, plant and equipment

Property, plant and equipment are stated at cost less any recognized impairment loss.

Land is not depreciated as it is deemed to have an infinite life.

Depreciation on other property is charged so as to write off the assets during their estimated useful life, using the Reducing Balance method.

Continued Notes to Financial Statements

Assets acquired during first six months of the year attract full depreciation while those acquired in the last six months of the year are not depreciated.

e)The annual rates are: (Reducing Balance Method.)

Buildings	-	2.5%
Machinery & Equipment	-	20%
Furniture & Fittings	-	12.5%
Motor Vehicles	-	25%
Library Books	-	20%
Cutlery	-	33.3%

Continued Notes to Financial Statements

f) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes cost of purchase and where applicable direct labour and those overheads that have been incurred to bring the inventories to their present location and condition. Costs of issues are calculated using 'First in First Out' (FIFO) method. Net realizable value represents the estimated selling prices less all estimated costs of disposal (IAS2).

g) Biological assets

Biological assets are measured on initial recognition at each balance sheet date at its fair value less estimated point of sale costs as per IAS 43(12)

h) Receivables

Receivables are recognised when the commitments are effected. A provision of 5% of total receivables has been provided to take care of the receivables, which may not be recovered in full.

i) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalent include only cash at hand and cash in Bank as the University does not have short term liquid investments which are readily convertible into known amounts of cash and which are within three months to maturity when acquired, less advances (overdrafts) from the banks repayable within three months from dates of the advances.

j) Retirement benefit obligations

The University operates a defined contribution scheme for its employees. The assets of this scheme are held in a separate trustee administered fund. The scheme is funded by contributions based on the basic salary from both employees and employer at a rate of 10% and 20% respectively. Benefits are paid to retiring employees in accordance with the scheme rules.

Continued Notes to Financial Statements

The University also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the NSSF Act. The University's obligations under this scheme are limited to specific contributions legislated from time to time and are currently limited to a maximum of 200/= per employee per month. The University's obligation to staff retirement benefit schemes are charged to the income statements in the year to which they relate.

k) Related Parties Transaction

Ministry of Education Science and Technology is the University's Parent Ministry. We get our Government Grants through this Ministry.

NOTE: 2(A)(i)

PARTICULARS	MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT 2012/2013													
	LAND	BUILDINGS		W.I.P		MOTOR		FURNITURE & FITTINGS		OFFICE EQUIPMENTS	PLANT & MACHINERY	LIBRARY BOOKS	CUTLERY	TOTAL
	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000
Cost on 01.07.2012	140,901	215,682	1,246,979	24,478	18,680	17,687	8,914	13,948	13,948	8,914	13,948	1,013	1,688,282	
TOTAL	140,901	215,682	1,246,979	24,478	18,680	17,687	8,914	13,948	13,948	8,914	13,948	1,013	1,688,282	
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cost After Disposal	140,901	215,682	1,246,979	24,478	18,680	17,687	8,914	13,948	13,948	8,914	13,948	1,013	1,688,282	
Additions	-	-	-	4,410	-	-	-	-	-	-	-	-	-	
Cost/Value 30/06/2013	140,901	215,682	1,246,979	20,068	18,680	17,687	8,914	13,948	13,948	8,914	13,948	1,013	(4,410)	
Acquisition After 30/12/12	-	215,682	315,839	13,422	14,164	7,170	3,395	10,772	718	3,395	10,772	718	365,480	
Qualifying Asset for Depreciation	140,901	-	-	33,490	32,844	24,857	12,309	24,720	1,731	12,309	24,720	1,731	2,049,352	
Total accrued depreciation b/f	-	9,747	1,562,818	23,598	9,464	9,953	642	42	626	642	42	626	(22,619)	
Less Depreciation on Disposal	-	-	-	12,643	-	22,904	11,667	24,678	1,105	11,667	24,678	1,105	2,026,733	
Net value for Depreciation to date	-	-	-	(2,205)	3,643	4,958	2,802	1,633	562	2,802	1,633	562	35,988	
Net Cost For Depreciation	140,901	205,935	1,562,818	10,438	3,643	4,958	2,802	1,633	562	2,802	1,633	562	33,783	
Add Depreciation for the year	-	5,148	-	3,290	19,737	17,946	8,865	23,045	543	8,865	23,045	543	1,992,950	
Total Depreciation	-	14,895	-	13,728	2,467	3,589	1,773	4,609	181	1,773	4,609	181	21,057	
Net book value as at 30/06/13	140,901	200,787	1,562,818	19,762	6,110	8,547	4,575	6,242	743	4,575	6,242	743	54,840	
Net book value as at 30/06/12	140,901	205,935	1,246,979	11,835	26,734	16,310	7,734	18,478	988	7,734	18,478	988	1,994,511	
				15,038	15,038	12,729	6,112	12,315	451	6,112	12,315	451	1,652,294	

NOTE: 2(A)(ii)

PARTICULARS	MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT 2011/2012												
	LAND	BUILDINGS		W.I.P		MOTOR		FURNITURE & FITTINGS		OFFICE EQUIPMENTS	PLANT & MACHINERY	LIBRARY BOOKS	CUTLERY
	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000	KSHS000
Cost on 01.07.2011	140,901	205,187	813,586	13,475	14,568	12,771	7,625	1,986	1,013	7,625	1,986	1,013	1,211,112
TOTAL	140,901	205,187	813,586	13,475	14,568	12,771	7,625	1,986	1,013	7,625	1,986	1,013	1,211,112
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost/Value 30/06/2012	140,901	215,682	813,586	13,475	14,568	12,771	7,625	1,986	1,013	7,625	1,986	1,013	1,211,112
Acquisition After 30/12/11	-	215,682	1,246,979	24,478	18,680	17,687	8,914	13,948	1,013	8,914	13,948	1,013	1,688,282
Qualifying Asset for Depreciation	140,901	-	-	-	1,321	819	725	7,849	225	725	7,849	225	10,714
Total accrued depreciation b/f	-	4,467	1,246,979	24,478	17,359	16,868	8,189	6,099	1,013	8,189	6,099	1,013	1,677,568
Net Cost For Depreciation	140,901	211,215	1,246,979	15,780	1,683	1,981	1,455	517	337	1,455	517	337	19,138
Add Depreciation for the year	-	5,280	-	3,945	15,676	14,887	6,734	5,562	676	6,734	5,562	676	1,658,430
Total Depreciation	-	9,747	-	12,643	1,960	2,977	1,347	1,116	225	1,347	1,116	225	16,850
Net book value as at 30/06/12	140,901	205,935	1,246,979	11,835	3,643	4,958	2,802	1,633	562	2,802	1,633	562	35,988
Net book value as at 30/06/11	140,901	200,720	813,586	4,777	15,038	12,729	6,112	12,315	451	6,112	12,315	451	1,652,294
				12,885	12,885	10,790	6,170	1,469	676	6,170	1,469	676	1,191,973

NOTE:2(B)

BIOLOGICAL ASSETS

Particulars	No .of	No of Fish	KSHS	2012/2013	2011/2012
	Cattle		UNIT COST	KSHS.000	KSHS.000
COWS					
Anne 2	1			70	55
Susan 1	1			70	50
Susan 2	1			70	50
Heifer Susan 4	1			50	15
Karendi 3	1			60	60
Bull Sakawa	1			70	10
Karandi 4 Heifer	1				55
Ann 5 heifer	2			100	55
Kioko	1			48	25
Anne 4	1			80	60
Otenyo 2	1			62	25
Susan 5 (calf)	1			30	
Ochieng (calf)	1			10	
Susan 6 (calf)	1			30	
Ondieki (Bull Calf)	1			10	
Ann 6 (Heifer)	1			85	
Rabbits	29		1.2	35	
FISH					
Pond 1		735	10	7	1,152
Pond 2		826	10	8	369
pond 3		400	10	4	497
Pond 4		659	10	7	173
Pond 5					333
TOTAL				907	2,984

The decrease in value of biological assets is attributed to increased fish harvesting and the sale of one heifer during the year. This led to reduction in the population of fish in the pond as at 30/6/2013. However the value of biological assets is bound to increase during the current year since we have newborn calves and fish ponds have been restocked.

NOTE:3

INVENTORIES

Department	2012/2013	2011/2012
	KSHS.000	KSHS.000
Farm	288	111
Town Campus	46	
Halls	218	272
Medical	801	1,049
Finance		957
Examination	235	
Library	14	
Central Stores	733	2,232
Security	17	
Down Town Campus	4	5
Registry	2	4
Salaries		153
Keroka Campus	32	72
Nyamira campus	1	9
Estates	2,029	1,155
School Of Law		4
Cash Office		114
Catering		36
Health Science		208
Nyosia farm	142	237
Kehancha Campus	39	16
Ogembo Campus	25	27
Isebania Campus	22	7
Ict office		1
Faculty of commerce		92
Cashiers office Student mess		38
Dean Of Students	9	
Planning Office	183	
Games	1	
Total	4,841	6,799

NOTE: 4

ACCOUNTS RECEIVABLE

Details		Balances as at	
		30/06/13	30/06/12
		KSHS.000	KSHS.000
House Rent	i	0	28
Salary Advance	ii	28	81
Prepaid Rent and Rates	iii	0	4,436
General Debtors	iv	11	580
Imprests Outstanding	v	2,139	2,415
Fees Balances	vi	303,253	202,134
Farm dues	vii	43	81
Medical bills	viii	41	38
Prepaid Insurance	ix	0	371
Provision		(15,275)	(10,508)
Total		290,240	199,656

NOTE: 5

CASH AND BANK BALANCES

Particulars	Balances as at	
	30/06/13	30/06/12
	KSHS.000	KSHS.000
Cash at Hand	69	11
Cash at Bank (Current a/c-NBK)	1,848	21,176
Cash at Bank (Savings a/c-NBK)	11,277	19
Cash at Bank (KCB DVPMT)	49	827
Cash at Bank (Co-operative Bank)	451	1,501
Cash at Bank (KCB FEE ACCT)	23	
Total	13,717	23,534

NOTE: 6

PROVISIONS

Particulars	Balance as at	
	30/06/13	30/06/12
	KSHS.000	KSHS.000
Provision for audit Fee	580	500
Provision For Gratuity	1,625	1,625
Total	2,205	2,125

NOTE: 7

ACCOUNTS PAYABLE

Details		Balances as at	
		30/06/13	30/06/12
		KSHS.000	KSHS.000
Fee Prepayments	i	12,192	12,716
Caution Money	ii	17,093	13,031
Casual Wages	iii	-	2,200
Sundry Creditors	iv	156,167	53,890
Student Union		2,398	1,820
Retention	v	3,117	3,117
Contractors and Consultants	vi	352,611	327,897
Lease Hold		27,000	29,000
Stale Cheques as at 30/06/12		-	10,122
Total		570,578	453,793

NOTE:8

SUMMARY OF TUITION

DETAILS	2012/2013	2011/2012
	KSHS.000	KSHS.000
TUTION FEES	559,917	417,208
REGISTRATION FEES	12,627	9,558
STUDENT ID	1,356	2,064
LIBRARY USE	14,662	12,123
EXAMINATION	44,550	29,499
MATERIAL DEVELOPMET	18,124	14,120
ACTIVITY FEES	2,579	2,048
ADMINISTRATIVE COSTS	-	48,589
HELB FUNDS	13,600	52,137
MEDICAL	5,138	3,096
TOTAL	672,553	590,442

NOTE:9

INCOME GENERATING UNITS

DETAILS	2012/2013	2011/2012
	KSHS.000	KSHS.000
FARM	606	735
STAFFMESS	2,660	3,119
STUDENTMESS	3,553	3,876
SALE OF APPLICATION FORMS	7,181	4,198
TRANSCRIPTS	11	9
MEDICATION	317	224
INTEREST EARNED		136
HIRE OF PLAYING GROUND	27	49
RENT	56	297
DISPOSAL INCOME	74	73
HIRE OF GOWNS & BOOK SHOP SALES	128	59
BUS HIRE	22	
CATERING SERVICES	5	200
ACCOMMODATION	2,668	12,609
SIGN BOARD RENEWAL		15
INTREST RECEIVED ADVANCES		16
LIBRARY FINES	40	12
ID CARDS REPLACEMENT	146	47
EXAM REMARKING&RETAKE	82	24
TAILORING	67	55
KEY REPLACEMENT	1	1
TENDER FORMS PURCHASE	39	718
UTENSILS HIRE		1
RESEARCH GRANTS		2,657
GAIN FROM DISPOSAL	895	
TOTAL	18,578	29,130

NOTE: 10

RECURRENT GRANTS					
DATE	RECEIPT NOS	2012/2013 KSHS.000	MONTH	RECEIPT NOS	2011/2012 KSHS.000
30/07/2012	51318	32,333	30/07/2011	10570	24,000
30/08/2012	54824	32,333	30/08/2011	9415	24,000
30/09/2012	57196	32,333	30/09/2011	9481	24,000
31/10/2012	58243	32,333	31/10/2011	31019	24,000
30/11/2012	67696	93,733	30/11/2011	11345	24,000
31/12/2012	67697	32,333	31/12/2011	9988	24,000
31/01/2013	70686	32,333	31/01/2012	11730	24,000
28/02/2013	68752	32,333	28/02/2012	40192	24,000
30/03/2013	68772	32,333	30/03/2012	41664	24,000
30/04/2013	68791	32,333	30/04/2012	44818	24,000
30/05/2013	65073	32,333	30/05/2012	46422	24,000
30/06/2013	65121	32,333	30/06/2012	45893	24,000
TOTAL		449,400			288,000

NOTE: 11(A)

SALARIES AND WAGES			
Date	2012/2013 KSHS.000	2011/2012 KSHS.000	
2012 July	41,582.00	30,227	
2012 Aug	52,496.00	32,505	
2012 Sep	44,724.00	33,016	
2012 Oct	44,804.00	32,551	
2012 Nov	46,440.00	33,258	
2012 Dec	49,221.00	33,696	
2013 Jan	60,575.00	36,307	
2013 Feb	51,047.00	33,532	
2013 Mar	52,090.00	34,258	
2013 April	53,510.00	34,722	
2013 May	57,889.00	35,132	
2013 June	58,054.00	36,321	
Total	612,432.00	405,525	

NOTE: 11(B)

OTHER STAFF COSTS

	2012/2013	2011/2012
	KSHS.000	KSHS.000
Staff Education fund	-	1,277
Casual Labour Expenses	15,899	8,320
Salary locum Appointees	2,233	1,346
Gratuity Services	4,135	461
Passage and leave Travelling allowance	1,752	3,304
Staff ID	930	1,242
Staff Medical scheme	-	1,180
Staff Hosipitalisation	7,481	3,613
Staff Development		388
TOTAL	32,430	21,131

NOTE:12**OTHER OPERATING COSTS**

	2012/2013	2011/2012
	KSHS.000	KSHS.000
Travelling And Subsistence	74,362	58,930
Office Running Expenses	241,593	248,467
Total	315,955	307,397

NOTE:13**PART TIME LECTURERS PAYMENTS**

	2012/2013	2011/2012
	KSHS.000	KSHS.000
FACULTY OF COMMERCE	35,789	35,844
COMPUTER AND ACCOUNTING		287
BLINS	7,371	8,089
EDUCATION	62,393	56,882
LAW	837	2,859
AGRICULTURE	6,416	6,932
HEALTH SCIENCES	800	1,263
Total	113,606	112,156

NOTE:14**COUNCIL EXPENSES**

	2012/2013	2011/2012
	KSHS.000	KSHS.000
SITTING ALLOWANCES	3,864	2,788
SUBSISTENCE ALLOWANCES	5,024	2,049
MILEAGE, HONORARIA AND OTHER	6,687	5,220
MISC EXPENSES		
Total	15,575	10,057

NOTE :15

PROVISION FOR DEPRECIATION

Particulars	Accumulated C/F 30/06/13	Less Depreciation on Disposal	Depreciation for year ended	Provision b/f 1/7/2012
	ksh 000		ksh 000	ksh 000
Building	14,895		5,148	9,747
Furniture and Fittings	6,110		2,467	3,643
Office Equipment	8,547		3,589	4,958
Plant and Machinery	4,575		1,773	2,802
Library Books	6,242		4,609	1,633
Cutlery	743		181	562
Motor Vehicles	13,728	(2,205)	3,290	12,643
Total	54,840	(2,205)	21,057	35,988

NOTE: 16

CAPITAL GRANTS

DATE	RECEIPT NOS	AMOUNT KSHS.000	DATE	RECEIPT NOS	AMOUNT KSHS.000
		2012/2013			2011/2012
2012 AUG	37634	62,339	2011JULY	24916	30,193
2012 NOV	55938	113,536	2011 SEPT	24918	11,917
2013 FEB	55947	70,502	2011 OCT	24930	57,832
2013 APRIL	65222	26,812	2011 DEC	34506	54,260
			2012 FEB	3603	76,448
			2012 MAY	37624	83,939
			2012 JUNE	37625	36,104
TOTAL		273,189			350,693