



TECHNICAL UNIVERSITY OF MOMBASA

**ANNUAL REPORT &
FINANCIAL STATEMENTS 2013**





TABLE OF CONTENTS	PAGE
UNIVERSITY INFORMATION.....	1-2
COUNCIL MEMBERS	3
SENIOR MANAGEMENT.....	4
STATEMENT OF COUNCIL'S RESPONSIBILITY.....	5
REPORT OF THE AUDITOR-GENERAL.....	6
STATEMENT OF COMPREHENSIVE INCOME.....	9
STATEMENT OF FINANCIAL POSITION.....	10
STATEMENT OF CHANGES IN EQUITY.....	11
STATEMENT OF CASH FLOW.....	12
NOTES TO THE FINANCIAL STATEMENT	13-27

UNIVERSITY INFORMATION

VISION, MISSION STATEMENTS

Vision

A World Class University of Engineering, Science and Technology.

Mission

To offer quality technological education and training through: promotion of scholarship, entrepreneurship, research and innovation, outreach to community and technological development.

Motto

Endeavour and Achieve (Jiddu Tajiddu)

Strategic Objectives

- i) Provide quality academic programmes.
- ii) Promote research, science, technology and innovation.
- iii) Increase access and equity to tertiary and university education.
- iv) Provide adequate facilities and infrastructure required by the expanding University.
- v) Provide information communication technology solutions to support learning activities and management of the university.
- vi) Provide transition management to transform TUM into a fully-fledged University.
- vii) Institute a manpower and human resources management plan that maintains a competent and efficient workforce.
- viii) Ensure quality and relevance in all programmes.
- ix) Produce graduates with desirable attitudes to confront the various challenges in their lives.
- x) Institute mutually beneficial linkages and collaborations.
- xi) Market Technical University of Mombasa as a leading brand name in training and innovation in engineering, science and technology
- xii) Provide a finance mobilization plan that ensures a sustainable resource base for development and recurrent expenditure.



REGISTERED OFFICE AND PLACE OF BUSINESS

Technical University of Mombasa

Tom Mboya Avenue

P.O. Box 90420-80100

Mombasa, Kenya

Tel: (254)41-2492222/3/42490571

Fax: (254) 41-2495632,

Mobile: (254) 0724 955377/0733 955377

Email: vc@tum.ac.ke

Website: <http://www.tum.ac.ke>

PRINCIPAL BANKERS

1. *National Bank of Kenya Limited
Nkrumah Branch*
2. *Co-operative Bank Limited
Nkrumah Branch*
3. *Standard Chartered Bank Limited
Treasury Square Branch*
4. *Kenya Commercial Bank
Mvita Branch*
5. *Family Bank
Jomo Kenyatta Branch*
6. *Consolidated Bank
Nkrumah Branch*
7. *Equity Bank
Digo Road Branch*

AUDITORS

Auditor General

Kenya National Audit Office

P.O. Box 30084-00100

NAIROBI



LIST OF COUNCIL MEMBERS

The council members who held office during the year and to the date of this report were:-

	Name	Title	Date of Appointment
1	Dr. Linus Ikapel Etyyang	Chairman	07.02.13
2	Eng. Roselane Jilo Mmbone	Member	07.02.13
3	Mrs. Mary Ndiga Kibuka	Member	07.02.13
4	Dr. Fathiya Abdalla El-Maawy	Member	07.02.13
5	Mrs. Alice Mwololo – Representative National Treasury	Member	07.02.13
6	Mrs. Edith Torome – Representative MOEST	Member	07.02.13
7	Dr. Rispah Aduwo	Member	07.02.13
8	Bishop Julius Kalu	Member	07.02.13
9	Prof. Josphat Kazungu Z. Mwatelah	Secretary	08.07.13

LIST OF FORMER COUNCIL MEMBERS

1.	Prof. Shellemiah Okoth Keya	Chairman	Retired
2.	Professor Timothy Waema	Member	Retired
3.	Mrs. Mariam El-Maawy	Member	Retired
4.	Mr. Stephen Ikii – Min of Finance	Member	Retired
5.	Mr. Humphrey Tsuma – MOHEST	Member	Retired
6.	Prof. Mabel Imbuga – VC, JKUAT	Member	Retired
7.	Mr. Charles Imbali – Chairman KATTI	Member	Retired
9.	Prof. George Godia	Member	Retired
10.	Prof. Abdullah Said Naji	Member	Retired
11.	Pro. Alfred Mayabi – JKUAT Senate	Member	Retired
12.	Mr. Jacob Simiyu – Chairman Student Union (TUMSU)	Member	Retired
13.	Mr. Joseph Ngare – UASU Rep (TUM)	Member	Retired
14.	Dr. Charles Matoka – Ac. Board Rep.	Member	Retired
15.	Mr. Thaddius Rajwayi – Non Academic Staff Rep.	Member	Retired
16.	Mr. David Odhiambo – Tum Alumni	Member	Retired



LIST OF SENIOR MANAGEMENT

Names

1. Prof. Josephat Mwatelah
2. Dr. Stevens Marangi Mbogho
3. Dr. Titus Tunje Kadere
4. Dr. Joseph Obwogi
5. Mrs. Gaireth Kingi

Title

- Vice Chancellor
Ag. Deputy Vice Chancellor
Registrar AA
Registrar AP
Ag. Finance Officer

STATEMENT OF COUNCIL RESPONSIBILITIES

The Council is required to prepare financial 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 for the year. The Council is required to ensure that the University maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the University.

The 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 (where applicable), and in conformity with International Financial Reporting Standards.

The Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the University as at 30th June 2013 and of its operating results. The 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 systems of internal financial controls.

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

Approved by the Council on 22nd August 2013.

A handwritten signature in black ink, appearing to be 'L. Etyang'.

DR. LINUS IKAPEL ETTYANG
COUNCIL CHAIRMAN

A handwritten signature in black ink, appearing to be 'J.K.Z. Mwateleah'.

PROF. J.K. Z. MWATELAH
VICE CHANCELLOR/COUNCIL SECRETARY



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KENYA NATIONAL AUDIT OFFICE

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Technical University of Mombasa set out on pages 9 to 30, which comprise the statement of financial position as at 30 June, 2013 and the statement of comprehensive income, statement of changes in equity and 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.

Management's Responsibility for the Financial Statements

Management 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 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 International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are



appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 qualified audit opinion

Basis for Qualified Opinion

1. Property, Plant and Equipment

(i) Included in the property plant and equipment's balance of Kshs.2,468,239,364 as at 30 June 2013 (30 June 2012 Kshs.2,281,637,221) are parcels of land valued at Kshs.935,500,000 and motor vehicles costing Kshs.9,738,329 whose ownership documents are in the name of Mombasa Polytechnic. Though Management has written to Kenya Revenue Authority and Commissioner of Lands for the transfer of the same, not much has been achieved. Consequently, I am unable to verify existence, ownership and valuation of these properties.

(ii) As previously reported, the property, plant and equipment balance of Kshs.2,468,239,364 as at 30 June 2013 includes a parcel of land LR No. Mombasa/Block/XI/386 valued at Kshs.200 million of which ownership is in dispute and the matter is before a Court of Law. Although the University management is confident that the University has proper title to the property, I am unable to confirm the extent of impairment of the value on the property, if any, due to the dispute.

(iii) Property, plant and equipment amounting to Kshs.9,914,295 with a net book value of Kshs.4,284,033.50 were disposed of during the period under review. Disposal book proceeds received were Kshs.765,200 hence loss on disposal off assets realized amounted to Kshs.3,518,833.50.

There was no documentary evidence or otherwise produced to confirm authority and criteria used in identifying items earmarked for disposal and method used to dispose. The items included the Vice Chancellor's house valued at Kshs. 4 million.

The realized loss of Kshs.3,518,833.50 have been irregularity excluded in these financial statements.

2. Trade and Other Receivables

Included in the trade and other receivables balance of Kshs. 154,761,552 as at 30 June 2013 (2011/2012 Kshs.67,933,432) are student debtors balances of Kshs.36,225,701 whose supporting schedules and age analysis were not availed for audit verification. Any provision that would have been necessary in relation to this uncertainty has not been incorporated in these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2013

		2013	2012
	<u>NOTES</u>	Kshs.	Kshs.
ASSETS			
NON - CURRENT ASSETS			
PROPERTY ,PLANT AND EQUIPMENT	12	2,468,239,364	2,281,637,221
WORKS IN PROGRESS	13	227,774,972	145,843,364
LONG-TERM INVESTMENTS	14	4,000,000	4,000,000
TOTAL NON CURRENT ASSETS		2,700,014,336	2,431,480,585
CURRENT ASSETS			
INVENTORIES	15	24,158,895	21,229,339
PREPAYMENTS	16	45,925,217	48,702,664
INVESTMENTS	17	4,866,465	66,279,994
TRADE AND OTHER RECEIVABLES	18	154,761,552	67,933,432
CASH AND BANK BALANCES	19	58,369,579	108,284,549
TOTAL CURRENT ASSETS		288,081,708	312,429,978
TOTAL ASSETS		2,988,096,044	2,743,910,563
RESERVES, FUNDS AND LIABILITIES			
CAPITAL FUND	20	2,684,046,949	2,426,411,763
OTHER FUNDS AND RESERVES	21	108,263,110	112,937,123
INVESTMENTS FUND	22	0	19,279,377
TOTAL FUNDS		2,792,310,059	2,558,628,263
LONG-TERM LIABILITIES			
LONG-TERM LIABILITIES	23	40,470,308	47,269,026
TOTAL LONG-TERM LIABILITIES		40,470,308	47,269,026
CURRENT LIABILITIES			
BANK OVERDRAFT	24	25,033,281	10,527,884
TRADE AND OTHER PAYABLES	25	29,953,818	29,946,507
OTHER PAYABLES	26	100,328,578	97,538,883
TOTAL CURRENT LIABILITIES		155,315,677	185,282,300
TOTAL RESERVES, FUNDS AND LIABILITIES		2,988,096,044	2,743,910,563

DR. LINUS IKAPEL ETTYANG



COUNCIL CHAIRMAN

PROF. J.K.Z. MWATELAH



VICE CHANCELLOR / COUNCIL SECRETARY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2012

	CAPITAL FUND	OTHER FUNDS AND RESERVES	INVESTMENT FUNDS	TOTAL
	Kshs	Kshs	Kshs	Kshs
Balance As At July 1, 2011	2,250,268,417	122,241,797	19,279,377	2,391,789,591
Development Grant	169,143,346	-	-	169,143,346
Donations Grants	7,000,000	-	-	7,000,000
Students Caution Money	-	1,537,425	-	1,537,425
Revenue Reserve	-	1,196,337	-	1,196,337
Deficit for the Year	-	(11,998,436)	-	(11,998,436)
Balance As At June 30, 2012	2,426,411,763	112,977,123	19,279,377	2,558,668,263

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2013

	CAPITAL FUND	OTHER FUNDS AND RESERVES	INVESTMENT FUNDS	TOTAL
	Kshs	Kshs	Kshs	Kshs
Balance As At July 1, 2012	2,426,411,763	112,977,123	19,279,377	2,558,668,263
General Fund	19,279,377			19,279,377
Development Grant	235,005,164			235,005,164
Donations Grants	3,350,645			3,350,645
Students Caution Money		2,379,871		2,379,871
Revenue Reserve		(5,717,600)		(5,717,600)
Deficit for the Year		(1,376,284)		(1,376,284)
Investment Funds			(19,279,377)	(19,279,377)
Balance As At June 30, 2013	2,684,046,949	108,263,110	0	2,792,310,059



STATEMENT OF CASHFLOWS FOR THE YEAR ENDED JUNE 30, 2013

	2013	2012
	Kshs.	Kshs.
Cash flows from operating activities		
Deficit for the Year	(1,376,284)	(11,998,436)
Adjustments for :		
Depreciation	91,379,780	82,381,576
Increase in provision for bad debts	4,981,229	5,137,569
Cash flow from operating activities before working capital Changes	94,984,725	75,520,709
Working capital changes		
Trade and other receivables	1,809,349)	(41,833,958)
Investments	61,413,529	63,370,447
Inventories	(2,929,556)	(4,238,817)
Prepayments	2,777,447	(48,214,645)
Trade and other payables	7,311	5,070,151
Other payables	2,789,695	39,074,448
Net cash flow from operating activities	(27,750,923)	13,227,626
Cash Flows From Investing Activities		
Acquisition of Fixed Assets	(282,230,960)	(262,829,707)
Disposal Fixed Assets	4,284,037	
Increase/decrease in Work in progress	(81,931,608)	(33,596,678)
Net cash flow from investing activities	(359,878,531)	(296,426,385)
Cash Flow From Financing Activities		
Capital fund	238,355,809	176,143,34
Other funds and reserves	(3,337,729)	2,733,76
Long-term liabilities	(6,798,718)	
Net cash flow from financing activities	228,219,362	178,877,10
Cash and Cash Equivalents At Beginning of Year	97,756,665	126,557,6
Cash and Cash Equivalents At End of Year	33,336,298	97,756,6



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

1.0 Accounting Policies

The following paragraphs describe the main accounting policies adopted while preparing these accounts.

1.1 Basis of Preparation

i) Statement of compliance

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRS)

ii) Basis of Measurements

The accounts have been prepared on the historical cost convention as modified by the revaluation of certain non-current assets

iii) Functional and presentation currency

Items included in the financial statements are measured using the currency of the economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Kenya shillings (Kshs) which is the functional and presentation currency.

1.2 Income Recognition

i) Income from fees is recognized on an accrual basis.

ii) Income from Government grants and fees includes only amounts receivable in relation to the current financial year.

iii) Income from interest on deposits and from other services rendered is recognized on the accrual basis.

1.3 Valuation of Property, Plant and Equipment

i) Purchase of non-current assets is capitalized.

ii) Property, plant and equipment are stated at cost.

iii) Property, plant and equipment are depreciated on a straight line basis commencing in the year of purchase and no depreciation is charged in the year of disposal.

iv) Depreciation of property plant and equipment are provided on straight line basis at an annual rates estimated to write off the assets over their expected useful lives. The annual rates are as follows:

- Building	2%
- Furniture and fittings	10%
- Plant, equipment and machinery	10%
- Motor vehicles	20%
- Computers and other electronic equipment	30%

Depreciation is charged to the statement of the comprehensive Income.

- v) Values of donated property, plant and equipment are estimated by the University through valuation or as advised by donors.

1.4 Inventory Valuation

- i) Inventories are valued at the lower of cost and net realizable value.
- ii) The cost of Library books is written off to expenditure as incurred.

1.5 Provision for Bad and Doubtful Debts

General provisions are provided for at 10 percent of the individual debts considered to be bad and doubtful except for grants from the Government.

1.6 Employee Retirement Benefits.

The university currently operates a defined contribution scheme for its employees. The university obligation to the scheme is the contribution of 20% of basic salary whereas the employee contributes 10% of the basic salary.

The university also contributes to NSSF currently at the rate of Kshs.200 per employee per month. The university contribution to the above schemes are charged to the comprehensive statement of income in the year to which they relate. The university has no further obligation once the contribution has been remitted to the pension fund

1.7 Work in Progress

Work in progress is valued at the cost incurred to-date.

1.8 Ownership of Non-Current Assets

The University is in process of transferring ownership of all non-current assets of, Mombasa Polytechnic University College to its name as expressed by the Charter.

1.9 Long-term Liability

The Long-term Liability has been reported separately from other creditors hence a separate note has been prepared.

NOTE 2	2013	2012
GOVERNMENT GRANTS	Kshs.	Kshs.
Recurrent Grants received	668,300,003	537,999,996
TOTAL	668,300,003	537,999,996

NOTE 3	2013	2012	
INTERNALLY GENERATED FUNDS	Kshs.	Kshs.	
30200	Tuition Fee Regular Central Vote	29,833,453	27,018,222
30201	Registration Fee	4,806,237	4,311,440
30202	Internal Examinations	37,762,065	23,344,146
30203	Sports Fund	5,883,221	5,624,352
30204	Library Levy	7,194,586	6,284,054
30205	Library Fines Central Vote	61,455	46,867
30206	Academic Trips Central Vote	1,720,432	1,945,275
30207	Medical Fund	6,871,935	6,477,671
30208	Industrial Attachment Levy	4,825,274	3,321,447
30209	Tuition Fee Module II Central Vote	399,835,598	342,688,671
30210	ICT Fund	17,954,280	12,678,742
30211	Academic Transcripts Central Vote	44,650	49,650
30212	Students Hostel Fee	13,829,345	13,775,189
30213	Student Holiday Accommodation Accomodation	-	209,520
30214	Maintenance Levy Central Vote	-	54,629
30216	Application Fee	3,330,410	5,080,722
30217	Project Fee Central Vote	1,250,000	-
30219	Guidance and Counselling Central Vote	1,500,000	1,850,000
30220	Tuition Fee LAMU	3,042,182	2,354,594
30221	Student Readmission Fee Central Vote	26,000	37,150
30222	Lost Items Central Vote	77,575	111,691
30223	Clinical Diagnostic Lab Central Vote	-	150
30224	Graduation Fee	2,561,483	1,360,805
30225	Alumni Fee	240,000	108,000
30226	Tuition Fee Ukunda	890,551	508,055
30227	Center Fees Central Vote	77,500	86,660



Technical University of Mombasa

30228	Penalties Central Vote	130,000	146,150
30229	Materials Testing Central Vote	103,400	8,290
30300	Catering Income Catering	7,745,284	8,369,299
30305	Income Kiziwi Guest House	22,731,659	28,318,394
30306	Training Restaurant Income Training Restaurant	3,671,200	3,438,480
30311	External Research Income Research	7,114,600	2,609,789
30312	Consultancy Fee Central Vote	386,650	916,000
30313	Administrative Research Income Central Vote	1,000	-
30320	Hire of Facilities Central Vote	1,727,583	686,475
30321	Hire of Transport	772,270	976,895
30322	Photocopy and bindery Income Library	18,526	-
30323	Short Courses	45,000	-
30324	CISCO	203,900	134,100
30325	Remarking	3,000	3,000
30326	Refund Charges	-	11,729
30330	Rent Income Central Vote	5,589,937	4,724,901
30400	Interest on Investment Central Vote	3,496,927	10,852,515
30500	Profit on Disposal of Assets Central Vote	399,233	87,960
30600	Tendering Fees Central Vote	1,407,500	1,719,000
30750	Administrative Fees Central Vote	720,866	2,250,257
30850	Other Income	-	232,597
TOTAL		599,886,767	524,813,533

NOTE 4		2013	2012
PERSONAL EMOLUMENTS		Kshs.	Kshs.
40100	Basic Salaries Central Vote	294,049,241	227,098,209
40105	House Allowance Central Vote	193,531,832	168,913,182
40110	Medical Allowances Central Vote	59,505,380	15,977,853
40115	Pension Employers Expense Central Vote	40,992,196	42,173,317
40116	NSSF Employer's Expense Central Vote	1,833,800	1,803,700
40120	Responsibility Allowance Central Vote	10,437,667	7,834,000
40125	Telephone Allowance Central Vote	6,246,912	4,980,031
40130	Acting Allowance Central Vote	1,589,597	857,442
40131	Special Duty Allowance Central Vote	1,092,038	1,158,601
40132	Management Allowance Central Vote	18,215,000	-

40133	Book and Research Allowance Central Vote	1,460,000	
40135	Gratuities Central Vote	2,376,240	645,51
40140	Leave Travel Allowance Central Vote	8,456,250	8,166,70
40145	Commuting Allowance Central Vote	40,603,537	31,204,13
40146	Car Allowance Central Vote	20,490,000	12,177,66
40147	Non Use of Official Car Central Vote	90,000	25,00
40150	Entertainment Allowance Central Vote	11,206,100	4,964,50
40151	Electricity and Water Allowance	3,154,826	379,11
40152	Security Alarm Installation Central Vote	450,000	
40153	Radio Alarm Maintenance Central Vote	109,620	
40155	Passage and Baggage Allowance Central Vote	27,775	675,34
40156	Domestic Workers Allowance Central Vote	1,202,500	630,00
40157	Sanitation Risk Allowance Central Vote	71,200	76,80
40160	Overtime Allowance Central Vote	9,000	17,86
40170	Extraneous Allowance Central Vote	4,662,664	1,511,83
TOTAL		721,863,375	531,270,80

NOTE 5	2013	2012
COUNCIL EXPENSES	Kshs	Kshs
Chancellor's Allowance	400,000	
Chairman's Allowance	891,000	915,00
Sitting Allowance	5,368,000	3,750,00
Accomodation Allowance	2,630,715	1,835,10
Mileage	3,112,029	2,389,50
Travelling Allowance	626,771	267,60
TOTAL	13,028,515	9,157,30

NOTE 6	2,013	2012	
ADMINISTRATIVE/OPERATING EXPENSES	Kshs.	Kshs.	
40200	Casual wages	1,168,580	2,430,70
40201	Travel and Subsistence	14,680,290	15,330,50
40202	Fuel and oils	7,181,946	6,565,40
40203	Maintenance of Vehicles Transport	2,129,288	1,585,80
40205	Office Stationery	5,558,816	5,800,50
40206	Photocopying	65,159	6,00

40207	Computer Stationery	6,143,993	5,397,474
40209	Service Charge Kiziwi Guest House	932,319	1,539,813
40210	Advertising and Publicity	16,034,159	14,195,017
40211	Printing and Publishing	1,322,900	1,013,946
40212	Newspapers and Journals	1,478,840	1,175,560
40215	Shows and Exhibitions Research	5,272,494	5,174,714
40220	Electricity	19,875,402	20,913,439
40225	Water and Conservancy	1,865,735	1,237,645
40226	Graduation Expenses Central Vote	6,185,047	6,640,379
40230	Official Entertainment	3,179,395	3,457,490
40231	Registration Expenses Central Vote	-	1,307,916
40235	Expenses of Boards and Committees	8,683,539	16,493,932
40240	Staff Development and Training Central Vote	19,480,787	23,532,399
40241	Staff Welfare Central Vote	1,505,525	805,245
40242	Staff Dependants Bursary Scheme Central Vote	1,698,181	1,235,034
40245	Cleaning Materials	5,604,441	6,832,908
40246	Fumigation and Waste Collection Services Accommodation	1,304,633	-
40248	Purchase of Gas and firewood	2,690,834	2,643,297
40249	Purchase of Utensils beddings & fittings	779,114	590,970
40250	Purchase of foodstuffs	25,144,975	23,011,882
40252	Finder's Fee	187,414	409,353
40255	Vehicle Licenses and Inspection Transport	263,588	39,600
40256	Vehicle Insurance Transport	1,743,676	2,809,293
40257	General Insurance Central Vote	4,788,659	1,440,123
40258	Bank Charges	1,470,410	1,443,723
40259	Payment of Rent and Rates	421,108	530,375
40260	Staff Uniforms	2,632,293	1,770,619
40270	Governance	8,015,838	7,313,409
40273	Tender expenses Central vote	-	585,000
40275	Subscription Fee	748,491	1,208,847
40280	Professional Services Central Vote	7,341,880	2,703,318
40281	Hire of Security Services Central Vote	7,798,360	7,496,158
40285	Funeral Expenses Central Vote	239,010	80,000
40286	Ex Gratia Payments Bereavement Central Vote	222,600	100,000
40287	CSR Donations Central Vote	94,780	137,500

40288	Alumni Expenses Central Vote	-	62,000
40290	Postal and Courier Services	722,881	648,653
40291	Telephone Expenses Central Vote	510,359	739,981
40293	Hire of Facilities	47,940	70,897
40296	Penalties Central Vote	-	65,485
TOTAL		197,215,679	198,572,570

NOTE 7		2013	2012
TEACHING EXPENSES		Kshs.	Kshs.
40292	Library Expenses Library	2,703,397	2,364,624
40300	Purchase of Teaching Materials	9,303,999	9,055,607
40305	Curriculum and Development	1,577,975	3,451,490
40310	Academic Trips Registrar AA	2,590,600	3,408,185
40320	Maintenance Computer Hardware and Networks	189,432	641,729
40321	Internet Charges Directorate of ITCS	3,093,689	5,127,754
40322	Maintenance Computer Software Directorate of ITCS	1,705,145	696,000
40325	Internal Research Expenses Research	3,030,893	2,319,860
40326	External Research Expenses Research	2,071,392	4,563,047
40330	Part Time Teaching	163,844,987	164,583,940
40331	Production Expenses Central Vote	1,143,418	16,216,952
40335	Examination Materials Registrar AA	5,614,649	5,990,386
40336	External Examiners Registrar AA	4,611,570	2,768,616
40337	Consultancy Expenses	1,820,750	414,398
40338	ISO Certification	843,089	-
40339	Student Project Expenses	1,220,000	-
40340	Charter Award Ceremony	9,937,713	-
40430	Industrial Attachment Expenses	3,358,371	3,404,377
TOTAL		218,661,069	225,006,965



NOTE 8		2013	2012
STUDENTS WELFARE EXPENSES		Kshs.	Kshs.
40405	Guidance and Counselling Dean Of Students	349,200	645,067
40406	NACC Mainstreaming Activities Dean of Students	2,530,110	487,140
40410	Sports Activities Dean Of Students	3,645,519	3,758,196
40411	Sumpuc Elections Dean Of Students	591,181	662,240
40415	Medical Expenses Clinic / Medical	1,863,333	3,399,520
40435	Student Work study Programme	845,844	684,500
TOTAL		9,825,187	9,636,663

NOTE 9		2013	2012
REPAIRS AND MAINTENANCE		Kshs.	Kshs.
40500	Repairs and Maintenance	1,686,910	1,763,907
40550	Maintenance of Buildings and Stations	9,235,610	10,080,295
40555	Maintenance of Sewerage	873,700	1,104,265
TOTAL		11,796,220	12,948,467

NOTE 10		2013	2012
PROVISION FOR ACCRUED EXPENSES		Kshs.	Kshs.
40282	Accrued Expenses Central Vote	812,000	700,000
TOTAL		812,000	700,000

NOTE 11		2013	2012
PROVISION OF BAD DEBTS		Kshs.	Kshs.
40283	Provision for Bad & Doubtful Debts Central Vote	4,981,229	5,137,569
TOTAL		4,981,229	5,137,569

PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 30 JUNE 2012							
NOTE 12A							
	FREE HOLD LAND	BUILDING	FURNITURE AND FITTINGS	COMPUTER AND OTHER ELECTRONICS	PLANT AND EQUIPMENTS	MOTOR VEHICLE	TOTAL
DEPRECIATION RATES	0.0	0.02	0.1	0.3	0.1	0.2	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
B/F	935,500,000	854,546,101	56,318,608	99,253,254	300,144,660	25,164,001	2,270,926,624
Additions During The Year	-	199,418,674	5,198,059	17,203,190	31,012,900	9,996,884	262,829,707
TOTAL COST	935,500,000	1,053,964,775	61,516,667	116,456,444	331,157,560	35,160,885	2,533,756,331
Accumulated Depreciation B/F	-	34,181,844	10,757,693	56,134,073	59,363,524	9,260,400	169,697,534
Depreciation For Year Ending June 30, 2012	-	21,079,295	6,151,667	15,002,681	33,115,756	7,032,177	82,381,576
Accumulated Depreciation C/F	-	55,261,139	16,909,360	71,136,754	92,479,280	16,292,577	252,079,110
NBV AS AT June 30, 2012	935,500,000	998,703,636	44,607,307	45,319,690	238,678,280	18,868,308	2,281,637,221
NBV AS AT June 30, 2011	935,500,000	820,364,257	45,560,915	43,119,181	240,781,136	15,903,601	2,101,229,090

PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 30 JUNE 2013

NOTE 12B

	FREE HOLD LAND	BUILDING	FURNITURE AND FITTINGS	COMPUTER AND OTHER ELECTRONICS	PLANT AND EQUIPMENTS	MOTOR VEHICLE	TOTAL
RATES	0.0	0.02	0.1	0.3	0.1	0.2	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
B/F	935,500,000	1,053,964,775	61,516,667	116,456,444	331,157,560	35,160,885	2,533,756,331
Additions During The Year	0	200,484,828	2,738,970	17,699,173	51,513,660	9,789,329	282,225,960
Disposal During The Year	0	(4,000,000)	(653,100)	(3,939,000)	(287,195)	(1,035,000)	(9,914,295)
TOTAL COST	935,500,000	1,250,449,603	63,602,537	130,216,617	382,384,025	43,915,214	2,806,067,996
Accumulated Depreciation B/F	0	55,261,139	16,909,360	71,136,754	92,479,280	16,292,577	252,079,110
Depreciation For The Year	0	25,008,992	6,360,254	12,988,588	38,238,903	8,783,043	91,379,780
Accumulated Depreciation – Disposals	0	(240,000)	(653,100)	(3,939,000)	(177,158)	(621,000)	(5,630,258)
Accumulated Depreciation C/F	0	80,030,131	22,616,514	80,186,342	130,541,025	24,454,620	337,828,632
NBV AS AT June 30, 2013	935,500,000	1,170,419,472	40,986,023	50,030,275	251,843,000	19,460,594	2,468,239,364
NBV AS AT June 30, 2012	935,500,000	998,703,636	44,607,307	45,319,690	238,678,280	18,868,308	2,281,637,221

NOTE 13			
WORKS IN PROGRESS		2013	2012
NAME OF CONTRACTOR		Kshs	Kshs
A.N.K Construction ltd	Laboratories/ e-learning	146,021,024	34,480,254
Atomic Electronics	Electricals	33,069,251	24,870,946
Tandaza	Laboratories	-	36,893,465
EpcO	Mabokoni Classes	45,454,817	29,387,081
Resco	Perimeter wall	-	20,211,618
Jumbo interlinks limited	Foldable partitions	2,804,960	-
kensar General supplies and construction Ltd	Rehabilitation of clinic	424,920	-
TOTAL		227,774,972	145,843,364

NOTE 14		2013	2012
LONG-TERM INVESTMENTS		Kshs.	Kshs.
11200	Shares in Consolidated Bank	4,000,000	4,000,000
TOTAL		4,000,000	4,000,000

NOTE 15		2013	2012
INVENTORIES		Kshs.	Kshs.
11101	Inventories Estates Department	4,210,389	2,373,468
11102	Inventories Catering Department	788,161	1,064,196
11103	Inventories Mechanical Engineering	989,484	2,611,443
11104	Inventories Clinic	2,153,899	388,763
11105	Inventories Kiziwi Department	1,207,536	2,352,840
11106	Inventories Training and restaurant	235,180	1,211,839
11107	Inventories Central Stores	5,286,563	5,095,630
11108	Inventories Electrical Department	1,735,443	330,232
11109	Inventories Applied Science Department	3,208,929	1,288,477
11110	Inventories Business Studies Department	223,740	37,029
11111	Inventories Medical Engineering Department	3,205,801	3,744,507
11112	Inventories Computing & Information Department	285,448	265,634
11113	Inventories Library Department	108,763	55,922
11114	Inventories Building Engineering Department	263,092	282,352
11115	Inventories Liberal Studies Department	71,718	35,397
11116	Inventories Ukunda Campus	59,112	15,065
11117	Inventories Lamu Campus	100,238	53,298
11118	Inventories Research and Innovation Department	25,399	23,247
TOTAL		24,158,895	21,229,339

NOTE 16		2013	2012
PREPAYMENTS		Kshs.	Kshs.
11300	Prepaid Insurances	45,925,217	48,702,664
TOTAL		45,925,217	48,702,664

NOTE 17		2013	2012
INVESTMENTS		Kshs.	Kshs.
11720	Fixed Deposit National Bank of Kenya	4,574,299	24,526,173
11721	Fixed Deposit HFCK	0	21,707,690
11723	Fixed Deposit Consolidated Bank	292,166	20,046,131
TOTAL		4,866,465	66,279,994

NOTE 18		2013	2012
TRADE AND OTHER RECEIVABLES		Kshs.	Kshs.
11050	Staff Imprest	3,605,949	5,520,805
11400	General Trade Receivables	1,238,477	838,477
11401	Student Debtors	36,225,701	32,899,882
11402	TIVET Bursaries MOHEST	696,531	2,104,545
11403	Guest Accomodation Debtors	8,073,008	10,914,992
11404	Other Debtors	65,878	48,412
11409	Recurrent Grants Receivable	50,666,667	-
11410	Development Grants Receivable	65,925,605	23,056,565
11411	Staff Medical Debtors	708,243	214,902
11800	Staff Salary Advances	981,164	658,094
11850	Rent Arrears	158,930	280,130
SUB- TOTAL		168,346,153	76,536,804
21602	Less Provision	(13,584,601)	(8,603,372)
TOTAL		154,761,552	67,933,432

NOTE 19		2013	2012
CASH AND BANK BALANCES		Kshs.	Kshs.
11603	Cash in Hand Standard Chartered Fees Collection Account	1,000	-
TOTAL CASH BALANCES		1,000	-
11700	Cash at Bank National Bank Current Account I	4,513,622	42,914
11702	Cash at Bank Co-operative Bank Fees collection Account	1,914,824	2,373,370
11703	Cash at Bank Standard Chart Bank Fees collection Acc.	3,925,686	56,303,634
11704	Cash at Bank KCB Lamu Satellite Campus	4,480,431	3,365,919
11705	Cash at Bank Family Bank Research A/C	5,698,540	3,765,522
11706	Cash at Bank Kiziwi Guest House	26,584,677	13,900,615
11707	Cash at Bank TOWA sub project	19,230	472,746
11708	Cash at Bank Equity Fees Collection a/c	5,384,338	4,912,242
11709	Cash at Bank Development A/C Standard Chartered	2,778,285	5,818,465
11730	Cash at Bank Economic Stimulus Programme	292,433	17,329,122
11731	Cash at Bank NBK fees collection a/c	2,776,513	-
TOTAL		58,369,579	108,284,549

NOTE 20		2013	2012
CAPITAL FUND		Kshs.	Kshs.
Balance B/F		2,426,411,763	2,250,268,417
MOVEMENTS			
General Fund		19,279,377	-
Development Grant		235,005,164	169,143,346
Donations Grants		3,350,645	7,000,000
TOTAL		2,684,046,949	2,426,411,763



NOTE 21	2013	2012
OTHER FUNDS AND RESERVES	Kshs.	Kshs.
Balance B/F	112,977,123	122,241,797
MOVEMENTS		
Students Caution Money	2,379,871	1,537,425
Revenue Reserve	(5,717,600)	1,196,337
DEFICIT FOR THE PERIOD	(1,376,284)	(11,998,436)
TOTAL	108,263,110	112,977,123

NOTE 22	2013	2012
INVESTMENTS FUND	Kshs.	Kshs.
Investments Fund	0	19,279,377
TOTAL	0	19,279,377

NOTE 23	2013	2012
LONG-TERM LIABILITIES	Kshs.	Kshs.
BOG Staff Gratuity	40,470,308	47,269,026
TOTAL	40,470,308	47,269,026

NOTE 24	2013	2012
BANK OVERDRAFT	Kshs	Kshs
11701 Cash at Bank National Bank Current Account II	(25,033,281)	(10,527,884)
TOTAL	(25,033,281)	(10,527,884)

NOTE 25	2013	2012
TRADE AND OTHER PAYABLES	Kshs	Kshs
Trade Payables	29,953,818	29,946,507
TOTAL	29,953,818	29,946,507

NOTE 26		2013	2012
OTHER PAYABLES		Kshs.	Kshs.
20199	PAYE Deductions	(8,846,575)	1,295,922
21100	VAT Retained	(2,198,895)	(2,639,951)
21101	Income Tax Withholding	(1,136,961)	(896,452)
21103	VAT Clearing	(36,796)	(62,205)
21105	Student Union Fee	(632,838)	(1,096,008)
21106	Student Benevolent Fund	(1,071,130)	(1,027,779)
21108	Accrued Payables	(1,531,081)	(1,531,081)
21109	Rent Deposit	(9,000)	-
21300	HELB	(2)	-
21306	Other Depositors	(4,461,715)	(4,461,715)
21320	Foreign Examinations CILT	(9,139)	-
21322	External Examinations – KASNEB	(4,670)	(4,670)
21323	External Examinations – KNEC	(144,070)	(213,168)
21340	Refund to General Debtors	(90,457)	(90,457)
21401	Pension Deductions/Contributions	(2,104,953)	-
21405	NHIF Payables	(160)	-
21406	Poly Sacco	(4,562,277)	-
21407	Staff Benevolent Fund	(601)	(601)
21409	Loan Payables Barclays	(1,154,734)	-
21412	Trade Unions Payables	(2,019)	-
21413	Other Payables	(33,315,330)	(33,871,770)
21414	Retentions Payable	(35,643,414)	(27,847,176)
21418	Welfare Payables MSA Poly Workers Welfare	(600)	-
21430	Insurance Payables Mercantile & Gen Ass	(87,350)	-
21435	Insurance Payables Madison Insurance	(3,001)	(3,001)
21436	Insurance Payables Jubilee Insurance	(7,500)	(7,500)
21450	Mwalimu SACCO	(2,541,213)	-
21453	KEMFRI SACCO	1	-



21455	Kenversity SACCO	(14,020)	(14,020)
21456	Chuna SACCO	(1,501)	(1,501)
21461	Loan Payables POST Bank	-	(2,000)
21462	Loan Payables NBK	(68,617)	(80,750)
21500	Net Pay	166,040	(19,775)
21551	Prepaid Income Kiziwi Guest House	-	(8,349,750)
21552	Prepaid Income Tuition Fee Module II	-	(15,913,475)
21601	Provision for Audit Fees	(812,000)	(700,000)
21957	Post Bank Shares	(2,000)	-
TOTAL		(100,328,578)	(97,538,883)

