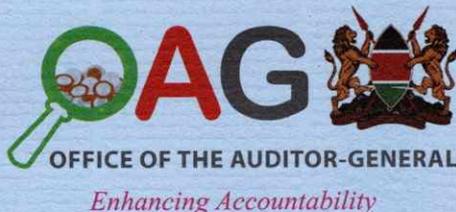


24

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

**OAG/ERO/MOI U/2022-2023-1-01-1061-05/34**

**19 April 2024**

**Prof. Isaac S. Kosgei, Ph.D.,MBS**  
Vice Chancellor  
Moi University  
P.O. Box 3900-30100  
ELDORET



*Dear Sir and ensure  
all queries are  
addressed immediately to  
close out. OAG/ERO  
29/04/24*

Dear Sir

## **REPORT OF THE AUDITOR-GENERAL ON MOI UNIVERSITY FOR THE YEAR ENDED 30 JUNE 2023**

Your responses dated 14 February 2024 in respect of the draft audit report for the financial year ended 30 June 2023 refers.

The additional information and evidence provided have been examined and issues that have not been satisfactorily explained and (or) supported are now included in the audit report.

Enclosed herein please find one set of the report of the Auditor-General on Moi University for the year ended 30 June, 2023 duly certified and with the seal affixed thereon for your use and retention.

Yours sincerely,

**Bonface O. Ong'wen**  
For; AUDITOR-GENERAL

**Copy to:** Principal Secretary  
Ministry of Education  
State Department for Higher Education and Research  
Jogoo House "B"  
P.O. Box 30040-00100  
NAIROBI

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

**REPORT**

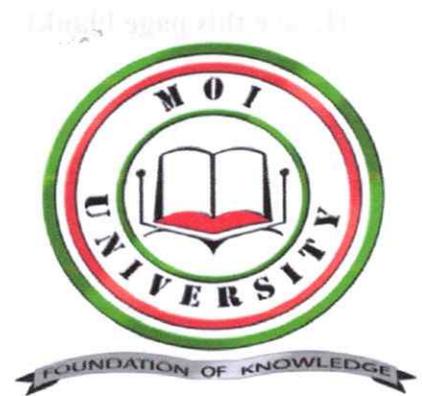
**OF**

**THE AUDITOR-GENERAL**

**ON**

**MOI UNIVERSITY**

**FOR THE YEAR ENDED  
30 JUNE, 2023**



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**MOI UNIVERSITY**

**CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2023**

---

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

**Moi University**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2023.**

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## **1. Acronyms, Abbreviations and Glossary of Terms**

### **A: Acronyms and Abbreviations**

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

### **B: Glossary of Terms**

**Fiduciary Management-** Members of Management directly entrusted with the responsibility of financial resources of the organisation

**Comparative Year-** Means the prior period.

**Moi University**  
**Consolidated Annual Report and Financial Statements**  
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**2. Key University Information and Management**

**(a) Background information**

The University was established under the Moi University Act in 1984 as the second Public University in Kenya. The University is a body corporate established under the Moi University Charter 2013 and is domiciled in Kenya. It has Campuses and Constituent Colleges as listed below.

Nairobi Satellite Campus  
P.O Box 63056-00200  
**Nairobi**

Annex Campus,  
P.O. Box 4603-30100,  
**Eldoret.**

Coast Satellite Campus  
P.O Box 3735-80100  
**Mombasa.**

College of Health Sciences  
P.O Box 4606-30100  
**Eldoret**

Kitale Satellite Campus  
P.O Box 1424-20200  
**Kitale**

Bomet University College  
P.O. Box 701-201400  
**Bomet.**

Rivatex East Africa Limited Factory  
Kipkaren Road, off Eldoret- Kisumu Road  
P.O.Box 4744- 30100  
**Eldoret**

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The Main Campus of the University is located in Kesses, 35 kilometers from Eldoret Town, and 310 kilometers Northwest of Nairobi, the capital city of Kenya. Moi University has expanded tremendously over the past decade largely based on the commitment of the entire Moi University fraternity, government investments, strategic partnerships, and the visionary leadership of the University Council and Management. These achievements are a testament to the resilience and fortitude of every faculty and staff member.

Since 1984, the University has experienced phenomenal growth leading to the establishment of several constituent colleges across the country, many of which have since grown to fully fledged Universities namely Maseno University, Masinde Muliro University of Science and Technology, Maasai Mara University, University of Kabianga, University of Eldoret, Karatina University, Rongo University and Alupe University that was recently granted a charter on 2<sup>nd</sup> August 2022 to be a fully-fledged university.

The University currently has the following Schools:

- School of Education
- School of Arts and Social Sciences
- School of Business and Economics
- School of Agriculture and Natural Resources
- School of Information Sciences
- School of Engineering
- School of Medicine
- School of Public Health
- School of Nursing
- School of Dentistry
- School of Law
- School of Tourism, Hospitality and Events Management
- School of Sciences and Aerospace Studies
- School of Graduate Studies, Research and Innovation

The University also wholly owns the Rivatex East Africa Limited (REAL), a limited liability company that was acquired in the year 2007 and incorporated under the Companies Act, for purpose of Training, Research and to undertake Commercial activities for Income generation purposes.

**(b) Principal Activities**

The principal Activity/Mission of the University is to provide University education through teaching, research and outreach.

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The University's vision, mission, core values and philosophy underpin every facet of the University's operations.

**Vision**

To be the University of Choice in nurturing innovation and talent in science, technology and development

**Mission**

To preserve, create, and disseminate knowledge, conserve and develop scientific, technological, and cultural heritage through quality teaching and research; to create conducive work and learning environment, and to work with stakeholders for the betterment of society.

**Core Values**

Intellectual freedom,  
excellence and the truth

Team work, networking  
and culture of peace

Transparency and  
accountability

Professionalism and  
social justice

Self-respect, institutional  
loyalty and patriotism

Continual improvement  
of services,  
competitiveness and  
relevance

**Moi University**  
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**Philosophy**

Putting knowledge to work is the University's guiding philosophy. At Moi University, the discovery, dissemination, and application of knowledge are synergistically balanced. The University is driven by the process of involvement - involvement in world affairs; in the needs of individuals and their communities, businesses, industries, and governments; in the nurturing of inquisitive minds; in the transfer of ideas from the campus to the market- place; and involvement in societal problems in our country and beyond. The creation of new knowledge that will benefit society is at the heart of the University's mission. The distinction between basic and applied research has become more blurred as the processes of discovery, scientific inquiry and scholarship inform all aspects of the educational enterprise at Moi University.

**(c) Key Management**

The University's day-to-day management is under the following key organs:

- The University Council;
- The Vice Chancellor;
- The University Management Board;
- The University Senate.

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Vice Chancellor	Prof. Isaac S. Kosgey
2.	DVC- Admin, Planning and Strategy	Prof. Kirimi H. Kiriamiti
3.	DVC- Academics, Research, Extension & Student affairs	Prof. Isaac N. Kimengi
4.	Principal – College of Health Sciences	Prof. Robert K. Tenge
5.	Ag. Chief Finance Officer	CPA Egla C. K. Samoei
6.	Senior Legal Officer	Ms. Petrolina Chepkwony
7.	Ag. Head of Procurement	Mr. Wilson Bett

**Moi University**  
**Consolidated Annual Report and Financial Statements**  
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**(e) Fiduciary Oversight Arrangements**

The University Council provides fiduciary oversight on the financial operations of the University through the Finance, Administration and Strategy Committee and the Audit, Risk and Compliance Committee.

The Finance, Administration and Strategy Committee reviews the University Quarterly Financial Statements before they are submitted to the Ministry of Education and National Treasury by the 15<sup>th</sup> day after the end of every quarter.

The Audit, Risk and Compliance Committee provides oversight on the University's financial statements and through the Internal Audit Unit of the University provides oversight on the internal controls and the maintenance of proper accounting records.

The Office of the Auditor General conducts annual audit of the operations of the University. The reports of the Auditor General are submitted to the National Assembly through the Public Investments Committee (P.I.C), which provides the overall fiduciary oversight on the operations of the University.

Regular audit and financial and progress reports are provided to development partners who have provided funds to the University. This is to ensure financial probity on the utilization of funds in the University.

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**(f) University Headquarters**

Moi University Main Campus  
P.O. Box 3900-30100  
Cheptiret – Kesses Road, Off Eldoret-Nairobi Road  
**Eldoret, KENYA**

**(g) University Contacts**

Telephone: (254) 736 138770/771 336911

E-mail: [info@mu.ac.ke](mailto:info@mu.ac.ke)

Website: [www.mu.ac.ke](http://www.mu.ac.ke)

**Rivatex East Africa Limited Contacts**

Telephone: (254) 53 2030901

E-mail: [info@rivatex.co.ke](mailto:info@rivatex.co.ke)

Website: [www.rivatex.co.ke](http://www.rivatex.co.ke)

**(h) University Bankers**

- |   |  |
|---|--|
| 1. National Bank of Kenya<br>Moi University Branch<br>P.O. Box 22 - 30107<br><b>Moi University, Kenya</b> | 2. Co-operative Bank of Kenya<br>Eldoret Branch<br>P.O Box 2948 - 30100<br><b>Eldoret, Kenya</b> |
| 3. Kenya Commercial Bank<br>Eldoret Branch<br>P.O Box 560 - 30100<br><b>Eldoret, Kenya</b>                | 4. Equity Bank<br>Eldoret Branch<br>P.O Box 2210 - 30100<br><b>Eldoret, Kenya</b>                |
| a) Standard Chartered Bank<br>Eldoret Branch<br>P.O Box 7 - 30100<br><b>Eldoret, Kenya</b>                | 6. Absa Bank of Kenya<br>Eldoret Branch<br>P.O Box 22 - 30100<br><b>Eldoret, Kenya</b>           |
| 7. Access Bank<br>Eldoret Branch<br>P.O Box 4308 - 30100<br><b>Eldoret, Kenya</b>                         |  |

**Moi University**  
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**(i) Independent Auditors**

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084 GPO 00100

**Nairobi, Kenya**

**(j) Principal Legal Adviser**

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

**Nairobi, Kenya**

**Moi University**  
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**3. Members of The University Council**

	<b>Name</b>	<b>Key qualifications</b>
1.	 <p><b>Dr. Dr. Humphrey Kimani Njuguna</b>  <b>Ph.D. Law, Ph.D. Entrep</b>  <b>Chairman</b>  D.O.B - 18<sup>th</sup> July, 1961</p>	<p>PhD (Law) (UoN), PhD (Entrep.) (JKUAT),  EMBA (JKUAT); LLM (Int. Trade &amp; Invest. Law)UoN  LL.B (Hons) UoN; B.A. Land Econ (Hons)  Dip. K.S.L; Dip. I.S.K.; M.I.S.K.: F.I.S.K.  MCI Arb.; Lead Expert- EIA/EA; CPM (MTI-EA)  Valuer; Estate Agent; Arbitrator; Mediator; Adv. of H.C. of Kenya  Dr. Dr. Njuguna has sound knowledge in Law, Land Economics, Public Administration and Entrepreneurship, Conflict and Dispute Resolution Management and related Consultancy Practices in Kenya spanning to close to 32 years.</p> <p>He is the current Chairman of Former Parliamentarians Association of Kenya, Managing Director Metrocosmo Limited, Senior Partner – Njuguna Kimani Nduhii &amp; Company Advocates, Director, Beyuz Communication Ltd, former Member of Parliament for Gatanga. He was the Lead Consultant in the drafting of the Valuers Act, Republic of Tanzania, and a former chairman and member of Institutions of Surveyors of Kenya (I.S.K) Chairman (Valuers and Estate Agents) I.S.K, Examiner (Valuers Chapter) ISK.</p> <p>He is a part time lecturer at JKUAT and University of Nairobi (School of Law).</p>

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<p>2.</p>	<div data-bbox="359 407 670 689" data-label="Image"> </div> <div data-bbox="379 707 734 824" data-label="Caption"> <p><b>Mr. Christopher Khaemba</b>  <b>Independent Member</b>  D.O.B – 18<sup>th</sup> January, 1960</p> </div>	<p>MBA, (Kenyatta University),  Diploma in Science Education, Kenya Science Teachers College (Constituent College of the University of Nairobi)</p> <p>Mr. Khaemba is an educator, mentor and turnaround leader who thrives in challenging and new environments.</p> <p>He is the co-founder and Director of Nova Pioneer Academies and Chair of the Kenya Board. He has been the County Executive for Urban Planning and Lands, Nairobi County, County Executive in charge of Education, Youth Affairs, Sports, Children, Culture and Social Services, Nairobi County.</p> <p>He serves as a member of the Board of Housing Finance Foundation, was the Vice-Chairman of the Local Organizing Committee of the 2017 IAAF World Athletics Youth Championships. He has been the head of the following institutions: Friends School Kamusinga (Kenya), The Alliance High School (Kenya) and the founding head, African Leadership Academy (South Africa).</p> <p>He has also been the Education Advisor in the Office of the Prime Minister, General Manager, Education Pillar, Equity Group Foundation where he helped to shape Wings to Fly Scholarship Programme and Deputy Director at the Teachers Service Commission focusing on teacher management.</p>
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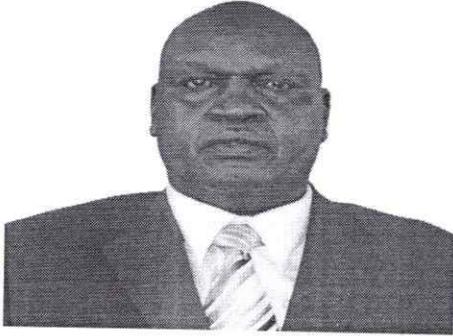
**Moi University**  
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3.	 <p><b>Prof. Clara Samiji M., Ph.D., EBS</b>  <b>Independent Member</b>  D.O.B 15<sup>th</sup> September, 1954</p>	<p>PhD in Kiswahili Literary and Gender Studies (Kenyatta) M.A. in Kiswahili Studies (Kenyatta), B.Ed. (UoN)</p> <p>Prof. Samiji is a Professor of Kiswahili and currently is the Managing Partner, Africa Trans lingual Translators (ATT). A Fulbright Programme Alumni, she has served as a member of the Senate Postgraduate Committee, Catholic University of East Africa, Chairperson, Language, Literature and Communication Department (CUEA), Chairperson, University Faculty Programmes Committee (CUEA), member of the Administrative Board, School of Postgraduate Studies (CUEA), member of University Senate (CUEA), Chairperson Kiswahili Department (CUEA and KU), Internal Quality Assurance Committee Member (CUEA), member of steering Committee, Academic Management Systems (CUEA) and Board Member, Intellectual Property Rights, Kenyatta University.</p> <p>She has also been the National Secretary General of Chama Cha Kiswahili Cha Taifa (CHAKITA) and Coordinator Kiswahili Department Staff Seminars Committee (KU).</p>
4.	 <p><b>Dr. Guyo Malicha Roba</b>  <b>Independent Member</b>  D.O.B – 10<sup>th</sup> February, 1977</p>	<p>PhD, Agricultural Sciences (University of Kassel, Germany), MSc. Energy Policy (University of Dundee, UK), BSc. Environmental Planning and Management, (Kenyatta University)</p> <p>Dr. Guyo is a Natural Resource Management and Livestock Marketing expert with extensive experience in conceptualizing, managing and monitoring development programmes in</p>

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		<p>Eastern and Southern Africa and the wider horn of Africa.</p> <p>He is the Country Technical Analyst at International Fund for Agricultural Development. He has also worked as Senior Programme Officer, Global Drylands Initiative at the International Union for Conservation of Nature, Senior Programme Officer, Drylands Programme IUCN, Policy Analyst, Infrastructure and Economic Service Division at the Kenya Institute of Public Policy Research and Analysis (KIPPRA) and Project Officer (Drought and Emergency) at the Community Initiative Facilitation and Assistance (CIFA) Marsabit, Kenya.</p>
5.	 <p><b>Mr. David K. Ronoh</b>  <b>Independent Member</b>  D.O.B - 31<sup>st</sup> December, 1959</p>	<p>Master of Science (UoN) Postgraduate Diploma in Actuarial Science (UoN) Graduate of Advanced Management Programme (Strathmore/Logos/IESE Spain), B.Ed (Science) (Kenyatta University)</p> <p>Mr. Rono has vast experience in financial management, leadership and change management. He is currently the Chief Executive Officer, Pioneer Assurance Limited.</p>
6.	 <p><b>CPA Anne H. Muchunku</b>  <b>Independent Member</b>  D.O.B – 31<sup>st</sup> October, 1976</p>	<p>Master of Business Administration (Finance), Bachelor of Science, Business Administration (Finance) (USIU), Certified Public Accountant – CPA (K) Strathmore College</p> <p>CPA Muchunku is a Finance and Accounting Professional with over 20 years Progressive Corporate experience. She has been the Regional Finance and Administration Manager - Africa at Water for People, an International Not-for-profit Organization, Finance Manager at Kenya</p>

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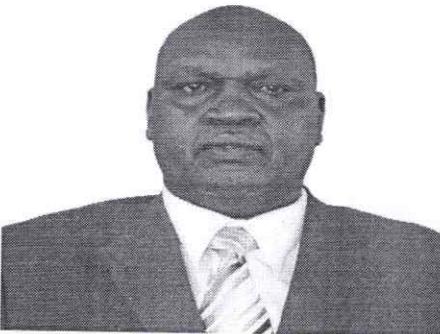
		<p>Private Sector Alliance (KEPSA), Senior Accountant, Financial Reporting at Deacons Kenya Ltd, Financial Accountant USIU – African and Member of the Kenya Revenue Authority (KRA) Tax Agents Committee.</p>
7.	 <p><b>Prof. Isaac S. Kosgey, Ph.D.,MBS</b>  Vice-Chancellor, Secretary to Council  D.O.B - 5<sup>th</sup>April, 1961</p>	<p>PhD (Animal Sciences), M.Sc. Animal Science (Wageningen), B.Sc Animal Production, Diploma in Animal Husbandry (Egerton), MBA (Kenyatta), Diploma in Law (MKU), LL.B, PGDP. Law (OUT)</p> <p>Professor Kosgey is a Professor of Animal Sciences (Animal Breeding and Genetics). He has extensive experience in public and university administration and management, having served in various capacities in Laikipia and Egerton Universities. Prior to being appointed the Vice-Chancellor of Moi University, he was the DVC–Administration, Finance and Development at Laikipia University. He has published widely and won several research grants. He is a peer reviewer in various refereed journals and has supervised several M.Sc. and PhD students. He is also a trained ISO 9001 auditor. He participates in several Government and community activities.</p>
8.	 <p><b>Dr. Chris Kiptoo, CBS</b></p>	<p>Ph.D Finance (UoN), Master of Science (Ag.Economics) and Bachelor of Science (Ag. Economics) (Egerton) He is an Accredited fellow in Micro Economic and Financial Management Institute of Eastern and South Africa(MEFMI)</p> <p>Dr. Chris Kiptoo has also served as the Principal Secretary Ministry of Environment and Forestry and the state department of Trade, Ministry of Industry, trade and cooperatives.</p>

Moi University  
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	<p><b>PS The National Treasury and Economic Planning</b></p>	<p>He has a rich wealth of experience in economic policy analysis, mainly gained at the Central Bank Of Kenya, Capital Markets Authority and the International Monetary Fund, where he served in various capacities.</p>
<p>9.</p>	 <p><b>Dr. Beatrice Inyangala Muganda</b>                  PS State Department for Higher Education and Research, Ministry of Education</p>	<p>Ph.D (Athens) B.ed, M.phil in planning and Economics of Education (Moi)                  She has served in various capacities in the Education sector such as Director of higher Education at the Partnership for African Social and Governance Research (PASGR) and has led Pedagogical Leadership in Africa (PedaL) project. She has trained over 1,000 teaching staff in 60 Universities on the African continent in innovative pedagogies. She has contributed to Kenya national policy documents such as the Medium Term Framework on Education and Training for Vision 2030, and the National Manpower Survey</p>

**Moi University**  
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**4. Key Management Team**

Name of Staff and Area of Responsibility		Qualifications
<p><b>Prof. Isaac S. Kosgey</b> Vice-Chancellor</p>		<p>Ph.D. (Animal Sciences), M.Sc. Animal Science (Wageningen), B.Sc Animal Production, Diploma in Animal Husbandry (Egerton), MBA (Kenyatta), Dip. Law (MKU), LL.B (OUT)</p>
<p><b>Prof. Eng. Kirimi H. Kiriamiti</b> Deputy Vice-Chancellor, Administration, Planning &amp; Strategy</p>		<p>Post graduate Diploma, INP Toulouse (France), Bsc, Msc, Technical University of Wroclaw, (Poland) PhD, PE, PhD Chemical and Process Engineering, INP Toulouse, (France)</p>
<p><b>Prof. Isaac N. Kimengi</b> Deputy Vice-Chancellor, Academics, Research and Extension</p>		<p>B.Ed. (Sc.), M.A (Ed.) (Nairobi), Ph.D (Kenyatta)</p>
<p><b>Prof. Tenge R. Kuremu</b> Principal, College of Health Sciences</p>		<p>MBChB, M.Med (Surg) (UoN), M.Med (Paediatric Surg) (Kwazulu Natal), FCS(ECSA)</p>

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<p><b>CPA Egla C. Samoei</b>          Ag. Chief Finance Officer</p>		<p>BA (Economics) (Nairobi)          CPA (K)</p>
<p><b>Petrolina C. Chepkwony</b>          Senior Legal Officer</p>		<p>LL.B. (Moi), Dip (Kenya School of Law), EMPA (Moi), LL.M. (Nairobi)</p>

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<p><b>CPA Eglá C. Samoei</b> Ag. Chief Finance Officer</p>		<p>BA (Economics) (Nairobi) CPA (K)</p>
<p><b>Petrolina C. Chepkwony</b> Senior Legal Officer</p>		<p>LL.B. (Moi), Dip (Kenya School of Law), EMPA (Moi), LL.M. (Nairobi)</p>

**Moi University**  
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**5. CHAIRMAN'S STATEMENT**

In the Financial year ended 30th June, 2023, the University's operations and activities ran smoothly despite the financial challenges which continue to be experienced due to declining University revenues that is mainly generated internally as Appropriation In Aid (AIA).

The capitation grants from the Government have remained to be the only reliable revenue source that is currently sustaining University operations, though inadequate to meet the current University obligations. This has given rise to pending bills which currently stand at Kes. 6.5 billion.

During the year, the University sought the government's support to settle historical debts and for financial support to undertake staff rightsizing so as to cut on staff payroll costs which currently takes up over 70% of the entire University recurrent budget. The University will thus continue pursuing the support from the government through the parent Ministry.

In order to address the current financial challenges facing the University and ensure financial sustainability, the University continues to institute reforms and measures aimed at cutting on costs, enhancing revenue performance and ensuring operational efficiency.

The utilization of University idle land through apple farming and other farming activities to generate more income for the university is picking up. At full maturity, this project is expected to generate reliable revenue to the institution and ease the current financial burden. The apple farming currently covers 100 (one hundred) acres and plans are underway to progressively increase the acreage to 200 in the next two years. The University also continues to engage other potential partners so as to utilize its idle land to diversify into other potential commercial crops that include Avocado, Tea and coffee farming and other farming activities for more revenue generation.

Through the 'Mama is doing good' project, the University has received tree seedlings and has already been planted to support the government's project.

These efforts are being undertaken in a bid not only to diversify revenue but contribute to the national objective of providing food security and community empowerment. In doing so, the University shall continue to develop other strategies of optimally using available resources to generate more revenue and create linkages with partners that shall contribute to improving facilities of the institution.

The University has signed Memoranda of Understanding and Financial Memoranda of Understanding with various institutions intended to facilitate all cooperative initiatives in the areas of instruction, research, cooperative projects, and staff, faculty, and student mobility.

The University has enhanced its visibility in several areas such as Industry, Innovation, and Education and very importantly in Agriculture, through participation in the national agricultural shows and other exhibitions to promote its relevance and attract potential investors to partner together for optimal use of its resources. In doing so, the University plans to commercialize some of its innovations emanating from academic and research activities in partnership with Kenya National Innovation Agency (KNEA)

The University through its Directorate of Resource Mobilization, Enterprise Development and Institutional Advancement (RMEDIA) continues to explore other sources of income for generation and mobilization of resources from within and outside the University.

**Moi University**  
**Consolidated Annual Report and Financial Statements**  
**For the year ended June 30, 2023.**

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The Alumni of the University who are largely spread within and outside the country are also being mobilized by the University. A committee on resources mobilization has been established to among other things, identify Alumni champions with a view to engaging them to participate and support the University and reach out to their friends and partners.

The University has also established the Centre for Strategic leadership Development (CSLD) for purpose of Income generation through offering short courses on leadership and governance to our leaders in the National and County government, other Institutions, Non-Governmental Organisation among others. The Centre also offers courses on Enterprise Development and mentorship on business start-ups and Reséarch.

The University will continue engaging other Government Agencies charged with the responsibility of promoting ethical standards to improve and strengthen efficiency and effectiveness in service delivery.

On behalf f the University Council, I would like to thank the Government for continued support to the University through recurrent and capital development grants as well as our development partners.

I appreciate the University Management, Staff and Students for their tireless efforts in enabling the University meet its core mandate of teaching, research and community outreach.



**Dr. Dr. Humphrey Kimani Njuguna, Ph.D. Law, Ph.D. Entrep**  
Chairman of Council,  
Moi University.

## **6. REPORT OF THE VICE CHANCELLOR**

It is with great pleasure that I present this report for the financial year ended 30<sup>th</sup> June 2023.

The year was fairly marked by a good working environment following normal resumption of economic activities in the country that led to full resumption of normal operations in the University after the effects of the Covid-19 pandemic. The University's academic and operational activities ran smoothly. There was one graduation ceremony held during the year that saw more than four thousand students graduate and enter into the market.

Despite the negative effects of the Covid-19 pandemic that had a negative impact to University operations, the University continues to grow in Infrastructural Development with the support of the Government and other development partners.

However, the recurrent capitation from the Government has been declining due to a decline in both the number of Government and self-sponsored students enrolled in the University each year following the change in government policy to admit all students qualifying to join University to both Public and Private Universities.

It is our appeal to the Government to review funding for the on-going students under the Differentiated Cost Unit Model (DUC) due to the rising costs involved to maintain the students in the University, that can't be meet by the declining exchequer grants.

Further, the government should allocate adequate financial resources to the on-going and stalled projects currently being implemented in the University, due to strain on the existing facilities following closure of other campuses by the University and termination of leased facilities so as to cut on costs.

In order to address the financial challenges, the University has redefined its path progressively towards modernisation and digitization of its operations, processes and academic programmes so as to utilize the available resources and ensure efficiency in service delivery. The University has allocated adequate financial resources to improve on the ICT Infrastructure and equip the IODEL for digital learning and operations so as to cut on costs as well increase revenues through Increased students enrolments. Further, the University is exploring many avenues and engaging in negotiations with Potential Partners in an effort to make use of its Idle Assets to generate more revenue to the Institution.

### **Review of the University's Governing Structures and policies.**

The University is reviewing its processes and policies to align to the reviewed University statutes, and has implemented the new governance structures for clarity and ease of decision making and to ensure effectiveness and efficiency in decision-making.

The University recognizes the importance of policies in the day-to-day running of operations. Consequently, the University Management Board and Council in the last one (1) year has developed

key policies and reviewed existing ones in line with The Constitution of Kenya and relevant laws and regulations.

### **Resource Mobilization**

The University has embarked on an ambitious plan to make use of its vast land by starting the Apple Farming Project. The plan has seen hundred acres of land put on this project and it's envisaged to reach five hundred acres in the next two to three years. This project is expected to generate revenue for the University and also achieve the University's efforts in empowering and assisting the neighbouring communities by giving them access to Apple seedlings and improved technology and value addition in Apple farming.

To increase the resource base of the University, efforts have been made on commercialization of research proposals for grants and projects. There are a raft of measures to improve the sustainability of Income Generating Units (IGUs) such as the establishment of a Directorate of Resource Mobilization, Enterprise Development and Institutional Advancement (RMEDIA) to focus on IGUs and mobilization of resources for the University and establishment of Advisory Committee to oversee their operations. In addition the University continues to collaborate with other Universities and Institution to widen research grants to the institution.

Currently the University has few running research project, notable of these is the World Bank supported project (ACEII-PTRE) that has been running for the last five years. The funds received from this Project have reached Kshs.740 Million and also teaching and operational facilities have been greatly improved. There are also other partnerships Centres of Excellence that have directed their resources to the University and enhanced the much needed support.

### **Staff and Students' Welfare**

The University continues to provide a conducive working environment for our staff and comfortable facilities for our student. A number of student hostels have been renovated to improve and provide comfort and security to the students and in addition the University continues to provide new facilities to ensure that staff and students' welfare is enhanced. The University continues to promote a harmonious working relationship with the surrounding communities to provide a cohesive business environment; comfort and security to our students also enjoy reciprocal business exchanges.

The University is currently building a new ultra-modern Amphitheatre that will provide the staff and students facilities to showcase their talents apart from providing teaching and recreational space. Further, the University is engaging with Alumni to explore possibilities of resource mobilization as well as seeking support for needy students in terms of scholarships

### ***Financial Performance***

Like all other Universities in the Country, the University is facing challenges arising from budget deficits and low cash flow due to a decline in the numbers of students and other external factors. The Differentiated Unit Cost (DUC) model currently being implemented by the government in determining the Capitation grants allocation to the University is increasingly not able to meet the rising costs of operations within the University. As a result, the University continues to accumulate pending bills due to its inability to meet its obligations. Revenue collection from A-I-A has been dropping each year because of change of policy by the Government on admission and support of all the students qualifying to join the Universities.

The University has put in place measures of harmonization and rationalization of academic programmes, courses, merger of Schools and Departments and other turn-around cost reduction strategies in an effort to return to positive performance.

### **Appreciation**

The University appreciates the support of the Government in providing financial support in form of recurrent and capital grants. This support has gone a long way in helping the University in achieving its goals and mandate.

I would also like to appreciate the support and advice of the University Council, Management Board as well as our dedicated staff and students.



**PROF. ISAAC S. KOSGEY, Ph.D., MBS**  
**VICE-CHANCELLOR**

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**7. Statement of Performance against Predetermined Objectives For FY 2022/23**

Section 81 subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statements, a statement of the national government University's performance against predetermined objectives.

Moi University has nine strategic pillars and objectives within its Strategic Plan for the FY 2015/2016-2020/2021. These strategic pillars are as follows:

Pillar 1: Deliver an outstanding and innovative educational experience and conduct outstanding research and creative work for the public good.

Pillar 2: Secure the resources to achieve our vision, while being responsible stewards of these resources.

Pillar 3: Design viable programmes and activities aimed at enhancing students' welfare

Pillar 4: Conduct and revamp the physical facilities and ICT infrastructure

Pillar 5: Sustain an appropriate Quality Assurance and Performance Management Systems

Pillar 6: Provide resources to ensure effective and efficient library and information services

Pillar 7: Enhance the University's health care programmes, security and safety

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Pillar 8: Strengthen and broaden governance, corporate image and corporate social responsibility

Pillar 9: Create an entrepreneurial services unit for financial growth and sustainability of the University

The University develops its annual work plans based on the above nine pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The University achieved its performance targets set for the FY 2022/2023 period for its nine strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1	1. Develop innovative academic programmes and review for relevance, marketability and competitiveness 2. Strengthen research linkages and collaborations	-New programmes -Number of academic programmes reviewed during the year -Increase in number of linkages and collaborations	-Review of academic programmes as per CUE requirements -Negotiate and conclude agreements with partners and collaborating institutions	Six academic programmes were reviewed during the year and two internationally programmes were Accredited. The University achieved eight new linkages and collaborations during the year
Pillar 2	Efficient and prudent use of human and financial resources	Percentage absorption of allocated GoK funds	The University to absorb the funds allocated to it by GoK	The University absorbed 100% of the funds allocated by GoK
Pillar 3	To attract international students and promote exchange	Percentage increase in number of new international students	Improve/intensify messaging for prospective international students	The University achieved an increase of 20% international students compared to the previous year.

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				Accreditation of curricula has enhanced visibility, nationally, regionally and internationally
Pillar 4	To acquire, develop and maintain quality facilities and equipment	Construction of tuition and residential facilities	Renovation of Hostels at Main Campus  Construction of Amphitheatre and the main gate  Construction of CHS Laboratory	The completion level was at 100% against a target of 95%.
Pillar 5	To continually implement, monitor and evaluate quality assurance and performance management systems	Enhance implementation of QMS ISO 9001:2015  Institutionalize performance contracting	Carried out internal quality audit, implemented the corrective action plan  Undertook the 1 <sup>st</sup> surveillance audit  Initiated the process of the 8 <sup>th</sup> edition QMS	The University implemented a corrective action plan leading to service delivery  Identified the gaps in the core mandate leading to improved customer satisfaction.  Developed the 2022/2023 Performance contract under the 19 <sup>th</sup> cycle PC guidelines.  Achieved 3.0056 composite score for the last evaluated Performance Contract
Pillar 6	Create awareness and build the e-capacity of the University community	Increase in number of MU Scholar Profile for online	Increase the number of MU Scholar Profiles from 205 to 400	The number was increased to 400

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		presence and visibility		
Pillar 7	To ensure all staff, students and University assets are safe and secure	Sensitization of staff and students on security and safety measures	Marking/ Labelling of all assets  Workshops/trainings to sensitize staff and students on security and safety	The University sensitized both staff and students on security and safety.  The University coordinated with the County Security Team to conduct security assessments at its campuses
Pillar 8	Sustain good governance for effective performance and service delivery	Reviewed University Statutes	Undertake review of the statutes and have them approved by the University Senate and Council	The Statutes were reviewed and approved during the year
Pillar 9	To encourage exploitation of potential business opportunities	Increase in MU revenue generated through business activities	Assembly of computer and IT related products	The University has successfully assembled computers ready for the market.  The apples has fruited ready for harvest in a month time.

**8. Corporate Governance Statement**

Corporate governance comprises rules, procedures, regulations and processes through which the University is directed. The University is committed to the highest standards of corporate governance and ethics. Good corporate governance practices are therefore essential to the delivery of long term sustainability of the University.

**Ownership**

The University was established under the Moi University Act in 1984 as the second Public University in Kenya. The University is a body corporate established under the Moi University Charter 2013. It is headed by the Vice-Chancellor and Secretary to the University Council, who is responsible for implementation of the Council's policy decisions and day-to-day operations of the University.

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**Constitution, Appointment and Retirement of Members of Council**

The Council consists on nine persons appointed by the Cabinet Secretary in charge of Education. The membership of the Council is as follows:

- (i) The Chairperson
- (ii) The Principal Secretary in charge of University Education
- (iii) The Principal Secretary in charge of The National Treasury
- (iv) Five persons appointed by the Cabinet Secretary through an open and competitive process
- (v) The Vice-Chancellor, who is an ex-officio member of the Council

Newly appointed members of Council are facilitated to undergo an induction process covering the business of the University by availing relevant information and also taking them through structured induction training.

The members of Council retire at the expiry of their term of appointment or when appointed to other offices that could bring a conflict of interest.

The University Charter and the Universities Act No 42 of 2012, Moi University has established the following organs of governance:-

- The Council
- The Senate
- Moi University Management Board

The University has continued to implement effective corporate governance by ensuring timely and relevant disclosures as provided in the Public Finance Management (PFM) Act 2012, ensuring strong audit procedures and audit independence, having clearly defined Council and Management duties and responsibilities and ensuring compliance with relevant laws and ensuring the highest levels of integrity at all levels in the University

**Council Charter**

The Charter of the Council is crucial to the University's governance and defines the Council's roles and responsibilities as well as functions and structures in a way that supports the members in carrying out their strategic oversight function. The Charter provides guidance on the following:

- The separation of the roles, functions, responsibilities and powers of the Council and its individual members
- Nomination, appointment, induction, on-going training and performance evaluation of the Council and its committees
- Policies and practices of Council on corporate governance matters, Council members' declarations and conflict of interest, conduct of Council and Council committee meetings
- Powers delegated to Council committees as well as matters reserved for final decision making and approval by the Council

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**Council Size, Composition and Appointments**

The constitution of Council is stipulated in the University Charter and the Universities Act No. 12 of 2012. The University Council is headed by the Chairman and is composed of Nine [9] members inclusive of the Vice-Chancellor who is the only executive member. The constitution of the Council takes into consideration requirements of the education sector, diversity of skills, academic qualifications, gender, age and experience necessary to add value to the operations of the University.

**Roles and Responsibilities of the Council**

The roles and functions of the board are clearly defined and include giving the overall oversight of Management and giving the strategic direction of the University. The Council defines the University's strategies, objectives, values and ensures that procedures and practices are put in place to ensure effective control over strategic, financial, operational and compliance issues. The Council develops short and long term goals of the University, develops strategies to achieve those goals and monitors the performance of the University against the set goals. The Council also spearheads the preparation of financial statements and reports of the University, approves and reviews annual budgets and ensures that the University has adequate systems of internal controls together with appropriate monitoring of compliance activities to ensure business continuity.

While the Council sets the direction and general guidance on policy, the day to day running of the University has been delegated to the Vice Chancellor. However, the Council is responsible for the stewardship of the University and assumes responsibility for the effective control of the University.

The Council has unrestricted access to timely and relevant information as well as advice and services of the Corporation Secretary to discharge its duties effectively. They operate in compliance with the Mwongozo code of conduct that offers corporate governance framework for all state corporations and the members of Council have duly undergone training under this code.

**Council Meetings**

The Council prepares an annual Almanac showing the schedule of their meetings planned for each year. During the year, the University Council held regular quarterly meetings, while special meetings were called when necessary.

Meeting Date	Chairman Dr. Dr. Njuguna	Mr. C. Khaemba	Mr. D. Rono	CPA H. Muchungu	Dr. M. Guyo	Mr. Obiero Charles	Prof. Clara Moman yi	Mr. I Memusi	Mr. Victor Momanyi
12.07.22		✓	✓		✓	✓	✓	✓	
18.07.22		✓	✓	✓	✓	✓		✓	
18.07.22	✓	✓	✓		✓	✓	✓	✓	
19.07.22	✓	✓	✓		✓			✓	

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01.08.22	✓	✓							
01.08.22	✓	✓					✓		
26.09.22			✓			✓	✓	✓	
28.09.22		✓			✓	✓		✓	
29.09.22	✓	✓	✓	✓	✓	✓		✓	
30.09.22	✓	✓	✓	✓	✓	✓		✓	
12.10.22		✓	✓	✓	✓	✓		✓	
13.10.22	✓	✓	✓			✓		✓	
19.10.22				✓	✓	✓		✓	
27.10.22	✓	✓			✓	✓		✓	
28.10.22	✓	✓					✓		
11.11.22		✓					✓		
17.11.22	✓		✓				✓		
29.11.22	✓	✓	✓		✓	✓			
30.11.22	✓	✓			✓	✓			
08.12.22					✓	✓	✓		✓
19.12.22		✓			✓	✓			
20.12.22		✓	✓	✓		✓	✓	✓	✓
22.12.22		✓	✓	✓	✓	✓	✓	✓	
27.12.22		✓	✓	✓	✓	✓	✓	✓	✓
12.01.23		✓	✓					✓	
25.01.23	✓	✓		✓	✓	✓		✓	
14.02.23	✓	✓	✓	✓		✓		✓	
28.02.23	✓	✓				✓	✓	✓	✓
03.03.23		✓		✓			✓		✓
05.03.23			✓				✓		
12.04.23		✓			✓	✓		✓	
13.04.23		✓	✓			✓	✓	✓	
15.06.23	✓		✓			✓		✓	
22.06.23		✓				✓	✓	✓	
23.06.23	✓		✓	✓		✓		✓	✓
27.06.23		✓	✓				✓	✓	✓

**Council Committees**

The Council Members are appointed to various Council Committees, and hence, bring their diverse experiences in deliberations during Council meetings. The Council Committees have well defined terms of reference that are intended to facilitate efficient decision making by the Council in

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discharging its duties and responsibilities. The Council Committees and their functions are as indicated below.

The University has an Audit, Risk and Compliance Committee as required by law. The Council in appointing the members of this committee has ensured that at least one member of the committee has relevant qualifications and expertise in audit, financial management, or accounting with experience in public service and knowledge in risk management and is a member of a professional body in good standing.

<b>Audit, Risk and Compliance Committee</b>	<b>Academic, Research, Extension and Students' Affairs Committee</b>
<b>Functions</b>	<b>Functions</b>
To assist the Vice Chancellor in enhancing internal controls in order to improve efficiency, transparency and accountability.	To provide guidelines on University wide research activities
To review audit issues raised by both internal and external auditors.	To research set priorities and targets for research activities in the University
To resolve unsettled and unimplemented Public Investment Committee's (P.I.C) recommendations	To receive, consider and recommend to Council award of honorary degrees
To enhance communication between management, internal and external audit and to foster an effective audit function	To provide guidelines on University wide training
<b>Finance, Administration and Strategy Committee</b>	<b>Human Resource and Governance Committee</b>
<b>Functions</b>	<b>Functions</b>
To explore ways of raising funds for the University both internally and externally	To recommend to Council the appointment of suitable candidate(s) after considering all the requirements for the post or in case of there being no suitable candidates to recommend re-advertisement of the position.
To develop appropriate and conducive policies to guide and promote resource mobilization and income generation activities in the University.	To recommend to Council improvements in the job grading classifications as the Committee may consider appropriate.
To monitor and evaluate income generation and resource mobilization activities in the University.	To review and make recommendations to Council on Terms and Conditions of Service as and when necessary or when directed to do so by Council from time to time.

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To develop policies on utilization of resources (Income Generation) for the development of the core business of the University.	To examine and make recommendations to Council on salaries, terms and conditions of service for all University employees.
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**Council Boards**

**Council Appeals Board**

The mandate of this board is to consider appeals from members of staff and make recommendations to Council.

**Conflict of interest**

Council Members are obligated to disclose to the Council any real or potential conflict of interest which comes to the Council Member's attention, whether direct or indirect. The Council has a conflict of interest register and at every meeting, members are required to declare any conflict of interest with regard to the matters under discussion.

**Ethics and code of conduct**

The Council members and employees of the University are expected to act with honesty, integrity and fairness in all their dealings with one another and with all stakeholders and to respect the diverse cultures of all people. The University has a code of conduct that binds every council member and employee.

**Procurement policies**

The University has in place procurement policies in line with the Public Procurement and Asset Disposal Act, 2015 that promote fair and transparent procurement processes.

**9. Management Discussion and Analysis**

**i). University academic and operational performance**

During the year under review, the University operations and activities ran smoothly and all the Academic programmes and activities went on as planned, despite the financial challenges which continue to be experienced due to declining revenues both the capitation grants from the government and the A-I-A that is generated internally by the University. There were a few students on campus as most cohorts of students proceeded for field attachment and long holidays. As a result, revenue collection from students was very low making it a challenge for the University to meet its financial obligations to the creditors due to cash flow challenges.

Due to few numbers of students who qualified to graduate in quarter three and four, it was not economically viable to hold another graduation in the month of June, 2023 as compared to previous years.

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The capitation grants from the Government, though inadequate is the main reliable source of revenue that is currently sustaining university operations, largely for meeting staff payroll costs. Other University operations highly depend on the internally generated funds which are insufficient due to limited sources and non-achievement on set revenue collection targets. For this reason, the University's pending bills continue growing and the amount now stands at **Kes. 6.5 billion** as at 30th June, 2023.

The University has continued to engage the government for financial support to be able to pay the historical pending bills and for seed money/capital to revamp some of its Income generating projects and undertake other new potential projects for more revenue generation, especially those that supports the government's 'BETA' agenda- food security, accommodation, health, small and micro enterprise and digital transformation.

Further, the University Management has made efforts to address financial challenges currently facing the university so as to ensure financial sustainability of the university. The University Management has tasked various adhoc committees with clear Terms of References, to come up with strategies and recommendations geared towards increasing internally generated revenues, cutting on both staff and operational costs, mitigation of possible potential risks, and ensure operational efficiency and optimal use of University Assets. The University also continues to institute other reforms and measures aimed at cutting on costs and enhancing revenue performance.

To address staff payroll costs which takes up over 70% of the entire university recurrent budget, the University sought the government's financial support both in written and through the proposed budget for 2023/2024 financial year to be able to undertake staff right sizing.

During the year however, the university spend less on staff payroll costs as compared to the previous financial year due to exit of a number of staff in June, 2022. During the financial year 2022/2023, 13 Lecturers were appointed and 86 staff retired (10 academic staff and 76 non-Teaching). 53 staffs also exited the university through resignation, death, forfeiture and termination of contract.

There was however a slight increase on payroll due to a number of staff who were promoted/reviewed or replaced and the new National Social Security Funds (NSSF) rates that were implement on payroll with effect from February, 2023

The University attention is now focused on ambitious and key plans to utilize its vast land by expanding the area under the Apple crop and grow other commercial crops- Avocado, Tea and coffee as well as improving on the other existing agricultural activities in order to increase and diversify the University's revenue base and support the government's Agenda in contributing to the national food security and community empowerment.

The University has continued to engage in negotiations for partnership with Potential Partners in order to actualize this dream. The envisaged diversification on University's land use through the apple farming and other related and planned activities is expected to generate more revenue to ease the financial burden and challenges being experienced by the University.

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The Apple farm currently covers 80 acres and plans are underway to progressively increase the acreage to 200 acres in the next two years. The University has transplanted an additional 10,000 seedlings to replace dried up apple crops and fill up the collapsed roads within the apple farm. Installation of GI steel pipes is on-going to ensure constant supply of plenty water to the apple plants as 50% of the apple plants have flowered and is fruiting. Some fruits have started maturing.

The university will continue to engage the National Irrigation Authority, Ministry of water and sanitation among other stakeholders to ensure that there is sufficient water to the apple farm so as to produce quality fruits.

During the year, the University through the Centre for Strategic leadership Development (CSLD), undertook leadership training for all the Deans, Associate Deans, Directors, Chairs of departments and Heads of various sections in the University.

The University strives to enhance its visibility in several areas such as Industry, Innovation, Education and very importantly in Agriculture, through its website, participation in exhibitions to promote its relevance and attract potential investors to partner together for optimal use of its Assets and resources. In doing so the University plans to commercialize some of its innovations emanating from academic and research activities in partnership with the Kenya National Innovation Agency (KNEA)

The Directorate of Resource Mobilization, Enterprise Development and Institutional Advancement (RMEDIA), continues to explore other avenues of increasing Income generating activities and mobilizing resources from within and outside the University.

The Directorate is mobilizing potential income generating units to write business plans that will be presented to University Management and Council for consideration and approval in view of securing funds for implementation.

The Directorate has also introduced an apiary with 5 beehives already installed and the process is on-going to install more around the apple farm.

The University through its Alumni who are largely spread within and outside the country are also being contacted through identified champions in view of engaging them to assist the University in mobilizing resources. Plans are underway to conduct a get together dinner with the University staff Alumni before conducting a major dinner/a fundraiser with the external Alumni, which will enhance the resources through establishment of the Endowment fund. A Draft Endowment Fund Policy has been developed and is at various stages of approvals.

This effort of engaging the alumni will not only diversify resources but contribute to the university's delivery of service. The University will continue to develop other strategies of optimally using available resources to generate revenue and create linkages with partners that shall contribute to enhancing facilities of the institution as well as intensifying outreach activities.

The university continues to engage both internal and external stakeholders to ensure that operations and activities run smoothly and that there is flow of goods and services to facilitate academic activities.

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The University will also continue engaging other Government Agencies charged with the responsibility of promoting ethical standards to improve and strengthen efficiency and effectiveness in service delivery

Going forward, the University shall continue engaging the National Treasury and Planning through the Ministry of Education on its reform initiatives and financial support to be able to sustain its operations in supporting the core mandate of the Institution.

**Academic matters**

During the year, the University held one graduation ceremony in the month of December 2022 where a total of 4,674 students graduated in the following Schools:

School	PhD	Clinical Fellowship	Masters	PGDs	Bachelors	Diploma	Total
Agriculture and Natural Resources	1	0	0	0	154	-	159
Arts and Social Sciences	11	0	7	0	154	4	159
Business & Economics	24	0	55	0	794	74	947
Dentistry	0	0	0	0	15	0	15
Education	15	0	22	4	1265	12	1318
Engineering	1	0	14	0	178	0	193
Information Sciences	2	0	6	0	276	3	287
Law	0	0	0	0	74	0	74
Medicine	1	8	37	0	93	0	139
Nursing	0	0	4	0	46	0	50
Public Health	0	0	16	0	32	0	48
Science and Aerospace Studies	6	0	1	0	211	0	218
Tourism, Hospitality & Events Management	3	0	3	0	58	5	69
Bomet University College	0	0	0	1	42	1	44
Alupe University College	0	0	0	0	0	0	0
<b>Total</b>	<b>64</b>	<b>8</b>	<b>165</b>	<b>5</b>	<b>4,319</b>	<b>113</b>	<b>4,674</b>

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### **Financial Performance**

The University recorded a slight drop in performance as compared to the same period in the last financial year. The Recurrent capitation received during the year was Kes 4,378,099,000 compared to Kes 4,367,513,000, an increase of Kes 10,586,000.

The amount received for Capital Development was Kes 20,000,000 as compared to Kes 30,000,000 that was received in the previous year.

The University's total revenue target for the period ending 30<sup>th</sup> June, 2023 was Kes. 6,915,280,605 but the actual revenue that was collected was Kes.4,835,974,010, thus giving a negative variance of Kes. 2,079,306,595 (an adverse variance of 30%).

The target revenue from Internally generated funds (AIA) for the period up to 30th June, 2023 was Kes. 3,477,000,002 but the actual revenue collected during the period was Kes 1,397,693,407. This fell below the target amount by 53% (Kes 2,079,306,595)

The negative drop in internally generated revenues was as a result of low enrolment of students during the year and the several cohorts of the continuing students who were out of campus on attachment, field practise and long holidays.

In addition, the research funds were also not received as expected and the activities or production from most of the Income Generating units was very low.

The University had a deficit of Kes. 953,634,000 for the year ending 30 June, 2023 as compared to a deficit of Kes. 699,128,000 in the last financial year. The increase in deficit was as a result of an overall drop in revenue.

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Consolidated Income and expenditure for the last five financial years is as below;

<b>Financial Year</b>	<b>*Income (Kes'000)</b>	<b>Expenditure (Kes'000)</b>
2022/2023	6,004,215	6,955,873
2021/2022	6,333,007	6,977,330
2020/2021	4,905,543	5,880,071
2019/2020	7,719,037	8,543,619
2018/2019	6,184,006	6,511,005

The breakdown of the incomes for the four years is shown below:

	<b>FY 2022/23</b>	<b>FY 2021/22</b>	<b>FY 2020/21</b>	<b>FY 2019/20</b>
Recurrent Capitation MU	3,438,281	3,442,733	3,238,832	3,224,704
Recurrent Capitation ACEII	24,054	140,701	149,355	
Recurrent Capitation Rivatex	-		29,574	
Recurrent Capitation USAID	813,542	784,079	-	
CBA arrears	-	-	-	917,047
<b>Total Recurrent Capitation</b>	<b>4,275,877</b>	<b>4,367,513</b>	<b>3,417,761</b>	
A-I-A-Moi	1,919,190	2,199,696	1,487,782	3,477,286
Rivatex Loss	(293,074)	(234,170)		
<b>Total Income</b>	<b>6,004,215</b>	<b>6,333,007</b>	<b>4,905,543</b>	<b>7,719,037</b>

The University's net revenue during the year was Kes 6,004,215,000 against an expenditure of Kes 6,957,770,000, thus, having a deficit of Kes 953,634,000.

The increase in the overall deficit is as a result of a drop in Internally generated revenues (A-I-A) that was collected by the University during the period, due to a drop in students enrolment during the year and the several cohorts of students who were away on teaching practise and field industrial attachments. The recurrent capitation that was also received during the year was less as compared to that of the previous year and the increase in the Rivatex gross loss that was incurred during the period under review further affected the performance.

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**Implementation of Key Infrastructural Projects**

The University is currently implementing the following key infrastructure projects that were approved in the Capital Development Budget for FY 2022/2023. The projects are expected to improve the learning atmosphere in the University, and therefore, improve the quality of teaching. The projects include:

- a) Construction of Auditorium and Amphitheatre
- b) Renovation of Hostel J
- c) Construction of ACEII PTRE Building.
- d) Construction of Digital Innovation Centre.
- e) Construction of Human Anatomy Laboratory
- f) Main Gate

**Major Risks of the University**

The University's activities are exposed to a number of risks that include credit risk, liquidity risk and market risks.

The credit risk emanating from trade receivables (students' fees) is managed by ensuring that students pay the requisite fees at the time of registration and signing of nominal rolls and also before sitting for their examinations. The University has set up systems and controls to ensure that we minimize risks.

Liquidity risk emanates from the University's challenges in meeting its obligations as and when there are due. The University is managing this risk by continuously reviewing its cash flow forecasts and agreeing on acceptable payment plans with creditors in order to meet the shortfall. The University is seeking financial support from the government to mitigate cash flow challenges as this has led to increased litigations and threatened executions.

The University is facing a risk from the reduction in the number of privately sponsored students admitted to the University. The University is dealing with this risk through rigorous marketing of PSSP programmes and through The Directorate of Resource Mobilization, Enterprise Development and Institutional Advancement (RMEDIA), that continues to explore other avenues of increasing income generating activities and mobilizing resources from within and outside the University vigorous marketing of PSSP programmes. There is renewed focus on admissions of post graduate students, whose numbers are not affected by the government policy on admission of new students.

In addition to the above risks, the University is also facing risks in its business continuity plan caused by changes in the operating environment and changes in policies affecting the higher education sector like the change of University funding Model that takes effect from September 2023. These could lead to supply chain interruptions at the initial stages of implementation.

### **Material Arrears in Statutory/ Financial Obligation**

The University has arrears in Pension and Provident Fund contributions, SACCOs, Welfares and Bank loan deductions amounting to Kes.5,000,208,200 and the University has been in touch with the Ministry of Education and The National Treasury to support in clearing the pending bill.

### **The University's Financial Probity and Serious Governance Issues**

There were no reported financial improbity issues by both internal and external parties. The University has put in place governance structures in place to ensure that any exposures are addressed promptly.

## **10. Environmental and Sustainability Reporting**

The University continues to focus on programmes that are of material importance to our students and various stakeholders, including the Government and industry. The University is committed to building a more sustainable future, despite the challenges and resource constraints that are currently being experienced by public universities.

In this report we indicate the strategic efforts that the University is engaging in to achieve sustainability in its operations and business model.

### **i) Sustainability strategy and profile**

The year under review has been fairly favourable to the University. The sustainability efforts of the University during the year were aimed at keeping the University afloat, despite the challenging operating environment. In this regard the University diversified its operations in order to raise and increase its revenue base by investing on apple farming which is anticipated to earn the University considerable income that shall support the University budget and reduce reliance from the Government and donors. In addition the University shall continue liaising with Government and other interested parties for contracts especially in the development and assembly of digital devices in the MU Assembly Plant in Eldoret. We are confident that these efforts will enable the University to continue delivering on its mandate.

The University has instituted measures to ensure effectiveness and efficiency in service delivery and cost management strategies by harmonizing and rationalising academic programmes, courses/units, departments, staff, facilities and other University operations. In the last two year, the University consolidated and merged common programmes, closed and disposed non-strategic centres, increased resource mobilization efforts with the aim at reducing operational costs and sealing waste streams. To mitigate teaching space requirements, the University is developing requisite infrastructure, including laboratories to improve on quality delivery of academic programmes. The next phase is rationalization of non-teaching staff to ensure optimization of their numbers, skills and competencies.

To increase the resource base of the University, the University has started mid-term Apple Farming project which now stands at 80 acres in the year under review. The project at its maturity is expected to provide the University with funds that will enable the University to discharge some of the liabilities

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that are currently choking the institution's operations. The University is also engaging in negotiations with potential partners to establish Avocado, coffee and tea farming to make use of its Idle land to generate more revenue.

In addition, the University has opened doors for other national and international donors and alumni to join hands together to improve on the quality of research and other academic exchanges that will see the University funded.

The University has secured a number of well-funded projects, including Africa Clusters Centres (ACC) in Phytochemicals, Textile and Energy - ACE-II, Africa Centre of Excellence in African Studies, Incubation Centre, Digital Literacy Programme (DLP) Phase I and II, HEPSSA Project, ASALI Project, among others. There are a raft of measures to improve the sustainability of Income Generating Units (IGUs) through the establishment of a Directorate of Resource Mobilization, Enterprise Development and Institutional Advancement (RMEDIA) to focus on IGUs and mobilization of resources for the University and establishment of an Advisory Committee to oversee their operations.

**ii) Environmental performance**

The University embraces environmental safety in its operations and has in place policies for handling e-waste, managing other waste generated in the University and ensuring that all our operations conform to best practices to reduce any negative impacts on the environment. Rivatex E. A. Ltd., in consultation with global design houses in the Export Processing Zone, is in the process of modernizing the factory's effluent treatment plant to meet the standards required under the African Growth and Opportunity Act for textile exports to the United States market.

The company has adopted greener production processes that protect the environment and minimizes damage to the environment. The University believes that this will immensely contribute to and sustain our future success.

**iii) Employee welfare**

The University provides equal opportunity irrespective of gender to all the applicants who are seeking for employment opportunity in the University. This Employment criterion is contained in the University Human Resource Manual which provides guidelines on hiring and exiting the employment, and this manual has been incorporated with the Central Government manual.

The University engages its employees through open and transparent process and the employees engaged are expected to comply with constitutional and mandatory requirements, including the principles of affirmative action, gender and person enabled differently and mainstreaming of

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National values and principles of Governance as espoused in the constitution that guide the hiring process. The performance of the employee are measured using appraisal instruments that provides feedback, review progress, identifies and addresses potential for rewarding and advancement

The University continues to provide a conducive working environment and comfortable and secure facilities for our staff in compliance with security and safety standards including provisions of protective gears in hazardous situations. The University continues to promote harmonious working relationship with the surrounding communities to provide cohesive business environment, comfort and security to our employees.

In addition the University encourages and builds on its pool of staff to improve and enhance their career development through in service training, promotions and support training from other Government Institutions and collaborative institutes.

**iv) Market place practices-**

Rivatex East Africa Limited, through the Ministry of Industry, Trade and Co-operatives collaborates with other Government institutions like the Fibre Crops Directorate of the Agriculture and Food Authority (AFA), the Kenya Plant Health Inspectorate Service (KEPHIS), Kenya Agriculture and Livestock Research Organization (KALRO), farmers, ginners and spinners have signed tripartite agreements for the creation of public awareness (sensitization), sustainability and multi-sectorial rural industrialization. Through these linkages the farmers will be assured of a ready market for their produce and at competitive prices, leading to job/wealth creation and poverty alleviation.

**v) Corporate Social Responsibility / Community Engagements**

The University recognizes that for sustainable growth and profitability it must play its role in society as an ethical and compliant entity that respects communities, legal requirements and the environment

During the year, the University's Maternal Fetal Medicine Unit performed its first Intra-Uterine Fetal Transfusion in Eldoret, Kenya. This was a first-of-its-kind procedure, to be done in Sub-Saharan Africa after Aga Khan University.

The procedure was done on a patient who was rhesus allo-immunized with fetal anemia leading to hydrops, which was diagnosed ultrasonographical by measurement of Middle Cerebral Artery (MCA) – Peak Systolic Velocity (PSV). The fetus was transfused with irradiated leucocyte-depleted "O" Negative blood.

The ASALI project, a collaboration between Moi University, South Eastern University of Kenya (SEKU) (both in Kenya) and Vrije Universiteit in the Netherlands, organized a farmers' training in 27<sup>th</sup> June, 2023. The project is being implemented at the School of Sciences and Aerospace Studies at Moi University. The training covered various topics such as nutrition, organic farming, biogas installation, harvesting, and utilization. It served as a continuation of a study conducted by a group in Kesses Constituency, which revealed that over 15 percent of the local population suffered from malnutrition.

In meeting the agenda four consideration, the University provided community access to Health Services through AMPATH grants in counties of the North Rift, Nyanza and Western regions, among

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**12. Statement of Council Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and Section 47 of the Universities Act, 2012 require the Council Members to prepare financial statements in respect of the University, which give a true and fair view of the state of affairs of the University at the end of the financial year and the operating results of the University for that year. The Council Members are also required to ensure that the University keeps proper accounting records which disclose with reasonable accuracy the financial position of the University. The Council Members are also responsible for safeguarding the assets of the University.

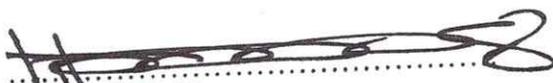
The Council Members are responsible for the preparation and presentation of the University's financial statements, which give a true and fair view of the state of affairs of the University for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the University; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the University; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Council Members accept responsibility for the University's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Universities Act, 2012. The Council Members are of the opinion that the University's financial statements give a true and fair view of the state of Moi University transactions during the financial year ended June 30, 2023, and of the University's financial position as at that date.

The Council Members further confirm the completeness of the accounting records maintained for the University, which have been relied upon in the preparation of the University's financial statements as well as the adequacy of the systems of internal financial control. 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.

**Approval of the financial statements**

The University's financial statements were approved by the University Council on 13.02.24 2023 and signed on its behalf by:



**Dr. Dr. Humphrey Kimani Njuguna**  
**Ph.D. Law, Ph.D. Entrep**  
**Chairperson of Council**



**Prof. Isaac S. Kosgey, Ph.D., MBS**  
**Vice Chancellor**

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them are Turkana, Uasin-Gishu, Trans-Nzoia, Elgeyo-Marakwet, West-Pokot, Kisumu, Bungoma, Kakamega, Vihiga and Busia Counties.

The four schools in the College of Health sciences participated in COBES activities by engaging the communities in health promotion, outreach and service delivery activities at level three (3) and five (5) facilities and participated in problem solving meetings with the community members on matters of health. COBES reports on health related issues with the findings and recommendations were shared with the Health facilities that the students went for COBES activities for further dissemination by the health facilities.

The University through its ACEII-TRE project conducted an outreach programme training to the surrounding communities and school on environments safety using modern technology of Biogas use. It also contributed in supplying and fitting Biogas equipment to three schools in the Counties of Uasing-Gishu; Nandi and Elgeyo-Marakwet.

**11. Report of The University Council**

The University Council submit their report together with the audited financial statements for the year ended June 30<sup>th</sup> 2023, which show the state of the University's affairs.

**i) Principal activities**

The principal activities of the University continue to be the provision University education through teaching, research and outreach.

**ii) Results**

The results of the University for the year ended June 30<sup>th</sup> ,2023, are set out on page 1-55

**iii) Council Members**

**iv)** The members of the Council who served during the year are shown on page ix to xiv.

**v) Auditors**

The Auditor General is responsible for the statutory audit of the University in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the University Council

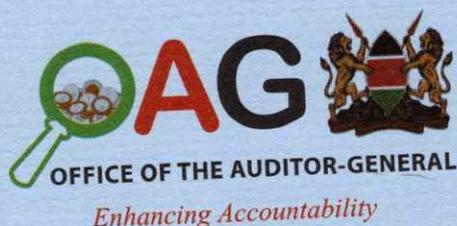
  
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**Prof. Isaac S. Kosgey, Ph.D., MBS**

**Vice Chancellor/Secretary to the Council**

# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON MOI UNIVERSITY FOR THE YEAR ENDED 30 JUNE, 2023**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Moi University set out on pages 1 to 66, which comprise the statement of financial position as at 30 June, 2023, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended,

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*Report of the Auditor-General on Moi University for the year ended 30 June, 2023*

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 3 of the Public Audit Act, 2015. 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.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Moi University as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Universities Act, No.42 of 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracy in Rendering of Services Balance**

The consolidated statement of financial performance reflects rendering of services amount of Kshs.1,804,054,000 and as disclosed in Note 7 to the financial statements. However, the supporting schedules provided reflected an amount of Kshs.557,862,000 resulting to an unexplained variance of Kshs.1,246,192,000.

In the circumstances, the accuracy of rendering of services amounts of Kshs.1,804,054,000 could not be confirmed.

#### **2. Unsupported Receivables from Exchange Transactions**

The consolidated statement of financial position reflects receivables from exchange transactions balance of Kshs.1,536,798,000 for Moi University which, as disclosed in Note 21 (a) includes receivables balance of Kshs.1,929,438,000 and an impairment allowance of Kshs.392,641,000. However, the schedules provided to support the balance of Kshs.1,929,438,000 only supported student fees debtors amounts of Kshs.1,726,707,000 and imprest debtors amounts of Kshs.42,680,000 leaving a balance of Kshs.160,051,000 unsupported.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.1,536,798,000 could not be confirmed.

#### **3. Unsupported Property, Plant and Equipment**

The consolidated statement of financial position reflects property, plant and equipment balance of Kshs.11,420,187,000. However, Note 25 to the financial statements reflects a balance of Kshs.5,345,225,000 for Moi University and Kshs.6,074,932 for Rivatex E.A Limited totalling Kshs.11,420,157,000 resulting to an unexplained variance of Kshs.30,000.

Further, review of the financial statements revealed that there was disposal of assets totalling Kshs.709,000 as disclosed in Note 8 to the financial statements. However, this balance was not analyzed and supported. In addition, the University has not revalued its assets as required by Section 49 of IPSAS 17 which requires that revaluations should be carried out regularly, so that the carrying amount of assets does not differ materially from its fair value at the balance sheet date.

In the circumstances, the accuracy and completeness of the consolidated property, plant and equipment balance of Kshs.11,420,187,000 could not be confirmed.

#### 4. Inaccuracy in Intangible Assets

The consolidated statement of financial position reflects intangible assets balance of Kshs.19,944,000. However, Note 26 to the financial statements reflects intangible assets balances of Kshs.19,944,000 and Kshs.39,056,000 for Moi University and Rivatex E.A Limited all totalling Kshs.58,249,000 resulting to an unexplained variance of Kshs.38,305,000.

In the circumstances, accuracy and completeness of the consolidated intangible assets balance of Kshs.19,944,000 could not be confirmed.

#### 5. Unsupported Balance on GoK Loan

As previously reported, the consolidated statement of financial position reflects Government of Kenya (GoK) loan balance of Kshs.231,250,000. Moi University received GoK loan of Kshs.250,000,000 on 11 June, 2008 to facilitate the acquisition of Karatina Campus; which is now a fully chartered University.

However, the following observations were made:

- (i) The purchase agreement or contract between Moi University and Kenya Tea Development Agency (KTDA) for purchase of Kagochi Training Institute which became Karatina Campus indicated that Kshs.168,852,825 was agreed and Moi University paid Kshs.151,675,429 on 4 September, 2009. Information provided indicates that Kshs.168,852,825 was supposed to be paid to the vender as deposit towards the purchase price on or before the execution of the sale agreement by the parties. However, there was no documentary evidence indicating that the payment was made to Kenya Tea Development Agency Ltd (KTDA).
- (ii) The purchase agreement indicated contract price of Kshs.168,852,825 and other expenditure of Kshs.24,640,300 totalling Kshs.193,493,125 as indicated in the analysis below;

Date	Cheque No.	Purpose	Amount (Kshs.)
27 October, 2009	39	Licenses Fees	5,220,000
11 February, 2010	165	Licenses Fees	7,733,333
13 May, 2010	77	Licenses Fees	3,093,333
25 June, 2010	87	Licenses Fees	3,093,634
25 June, 2010	88	Moveable Assets	5,500,000
<b>Total</b>			<b>24,640,300</b>
4 September, 2009	1718	Purchase Price	168,852,825
<b>Grand Total</b>			<b>193,493,125</b>
11 June, 2008		Initial Loan	250,000,000
<b>Balance</b>			<b>56,506,875</b>

However, there was no evidence indicating that The National Treasury had given consent of assigning the loan to Karatina University in accordance with legal notice establishing Karatina University College. It was also noted that the loan had not been serviced for the

last twelve years and the University is in breach of GoK loan agreement terms. Further no documentary evidence detailing the utilization of Kshs.56,506,875 was provided for audit.

In the circumstances, the accuracy, completeness and validity of the Government of Kenya (GoK) loan balance of Kshs.231,250,000 could not be confirmed.

#### **6. Variance in the Prior Year Revenue Reserves**

The consolidated statement of changes in net assets reflects closing and opening balance of accumulated deficit of Kshs.4,510,074,000. However, the previous year audited financial statement reflected accumulated deficit of Kshs.4,510,106,000 resulting to an unexplained variance of Kshs.32,000.

In the circumstances, the accuracy of the accumulated deficit balance of Kshs.4,501,074,000 could not be confirmed.

#### **7. Inaccuracies in Capital and Revenue Reserves**

The consolidated statement of financial position reflects capital and revenue reserves balances of Kshs.14,282,526,000 and (Kshs.5,796,613,000) respectively. However, the statement of changes in net assets reflects capital and retained earnings balances of Kshs.13,845,594,000 and (Kshs.5,359,681,000) respectively as at 30 June, 2023, resulting to unexplained and unreconciled variances of Kshs.436,932,000 both in the capital and revenue reserves.

In the circumstances, the accuracy of the capital and revenue reserves balances of Kshs.14,282,526,000 and (Kshs.5,796,613,000) respectively could not be confirmed.

#### **8. Unsupported Deferred Tax on Excess Depreciation**

The consolidated statement of changes in net assets reflects deferred tax on excess depreciation balance of (Kshs.303,057,000). However, this balance was not supported with any documentary evidence.

In the circumstances, the accuracy and completeness of deferred tax balance of (Kshs.303,057,000) could not be confirmed.

#### **9. Inaccuracies in Other Liabilities and Provisions**

The consolidated statement of financial position reflects other liabilities and provisions balance of Kshs.14,420,000 in respect of outstanding audit fees provisions out of which Moi University owed Kshs.14,420,000 and Rivatex East Africa Limited owed Kshs.1,790,000 all totalling Kshs.16,210,000 resulting to an unexplained variance of Kshs.1,790,000. In addition, the balance of Kshs.14,420,000 differs audit fee payable amounts of Kshs.4,020,000 disclosed in Note 28 to the financial statements resulting to an unexplained and unreconciled variance of Kshs.12,190,000.

In the circumstances, the accuracy and completeness of other liabilities and provisions balance of Kshs.14,420,000 could not be confirmed.

## 10. Inaccuracies in the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.6,915,280,000 and Kshs.4,835,974,000 which differed with the recomputed amounts of Kshs.6,915,276,000 and Kshs.4,835,969,000 for final receipts budget and actual on comparable basis respectively resulting to an unexplained variance of Kshs.4,000 and Kshs.5,000 respectively. Further, the statement reflects final expenditure budget and actual on a comparable basis of Kshs.6,915,281,000 and Kshs.5,787,878,000 respectively which differed with the recomputed amount of Kshs.20,206,585,000 and Kshs.14,957,392,000 for final expenditure budget and actual on comparable basis respectively resulting to an unexplained variance of Kshs.13,291,304,000 and Kshs.9,169,514,000 respectively.

In the circumstances, the accuracy and fair presentation of the above mentioned balances could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Moi University Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### Emphasis of Matter

#### 1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.6,915,280,000 and Kshs.4,835,974,000 respectively resulting to an under-funding of Kshs.2,079,306,000 or 30% of the budget. Similarly, the University expended Kshs.5,787,878,000 against an approved budget of Kshs.6,915,281,000 resulting to an under-expenditure of Kshs.1,127,403,000 or 16% of the budget. Further, it was noted that the total amounts in the statement of comparison and actual amounts for both receipts and payments were inaccurate.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

#### 2. Uncertainty on Sustainability of Services

The consolidated statement of financial position reflects current liabilities totalling Kshs.6,796,836,000 and current assets totalling Kshs.4,084,510,000 resulting in a negative working capital of Kshs.2,712,236,000. Further, the group incurred an operating deficit of Kshs.953,633,000 in the year under review which increased its accumulative deficits balance to Kshs.5,359,681,000 as at 30 June, 2023.

The unfavorable performance and financial position cast significant doubt on the University's ability to meet its financial obligations as and when they fall due. The University may, therefore, have to largely depend on financial support from the National Government and the goodwill of creditors to sustain its services.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the issues.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Employee Costs**

##### **1.1 Retention of Employees Beyond Retirement Age**

The consolidated statement of financial performance reflects employees costs amount of Kshs.4,672,041,000 which includes an amount of Kshs.4,604,605,000 for Moi University as disclosed in Note 11 to the financial statements. Analysis of the Master Payroll for the months of June revealed that seventy-four (74) non-teaching staffs who attained the mandatory retirement age of sixty (60) years were still in the payroll and were paid total gross consolidated salary amount of Kshs.9,146,253. This is contrary to Section 9(vii) of Moi University statutes, 2013 which states that staff of the University in grade 1 to 15 shall retire from employment when the staff attains sixty (60) years or any other age as maybe determined by the government from time to time.

In the circumstances, Management was in breach of the law.

##### **1.2 Irregular Appointment of Staff**

Review of expenditure documents revealed that the University made payment of basic salaries totalling to Kshs.31,211,160 to twenty-three (23) staff members who were recruited during the year under review. However, the audit revealed the following anomalies:

- i. Annual recruitment plan – authorizing the appointments was not provided for audit. This is contrary to Section B2(2) of Human Resource Policies and Procedures Manual for the Public Service May, 2016 which requires that on the basis of Human Resource Plans, Ministries/State Departments shall be required to develop annual recruitment plans which will be forwarded to the Public Service Commission at the beginning of each financial year to enable it plan to fill the vacancies.
  - ii. The key recruitments documents which include; summary/long list of the applicants, interview programme, staff establishment of the respective section/department reflecting the vacancies were not provided for audit.
  - iii. Record of panel interview guideline was not provided as required by Section 2.4.6 of Moi University Human Resource Policy Manual, March 2010 which clarifies that the Interview Panel shall design interview guidelines that will be used in all type of interviews and such guidelines shall be specific to the job to be filled and the competencies required.
  - iv. Signed Minutes of the Interview were not provided for audit review.
  - v. Perusal of personal files for all the candidates appointed revealed that none of the candidates had documents of chapter six (6) attached to the respective personal files. This is contrary to Section 2.4.12(m) of Moi University Human Resource Policy Manual, March 2010 which states that an employee on first appointment to provide certificate of compliance with chapter six of the constitution.
  - vi. All the newly recruited staffs were not inducted within the first three months of their employment contrary to Section 2.4.17 of Moi University Human Resource Policy Manual, March 2010 that stipulates the head of department for training and development in conjunction with the head of department from where the employee has been deployed shall co-ordinate induction and orientation process as soon as possible but not later than three months after reporting.
- In the circumstances, the regularity and validity of the recruitment process could not be confirmed.

### **1.3 Unpaid Casual Wages**

Review of the payroll revealed that the basic salaries included wages totalling Kshs.144,788,057 paid to casual workers. However, the Management failed to pay and accrue monthly wages to casual workers totalling to Kshs.69,160,491 being six (6) months' pay. This is contrary to Section 18(2)(c) of Employment Act, 2007 which requires that subject to sub-section (1) wages or salaries shall be deemed to be due in case of an employee employed for a period exceeding one month, at the end of each month or part thereof.

In the circumstances, Management was in breach of the law.

### **1.4 Non-Compliance with Law on Ethnic Composition**

During the year under review, the total number of employees of the University was two thousand three hundred and seventy-eight (2,378) out of which one thousand four hundred and ninety-one (1,491) or approximately 63% of the total number were members

of the dominant ethnic community in the county. This is contrary to Section 7(1) and of the National Cohesion and Integration Act, 2008 which states that, "all public officers shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

In the circumstances, Management was in breach of the law.

## **2. Cash and Cash Equivalents**

The consolidated statement of financial position reflects consolidated cash and cash equivalents balance of Kshs.585,483,000 which includes cash and cash equivalents balance of Kshs.549,602,000 for Moi University. The schedule provided for audit in support of the cash book balances indicated that the University operates seventy-seven (77) bank and Mpesa accounts out of which seventeen (17) were found to be dormant with no transactions during the year under review. The University Management did not explain why dormant bank accounts are being maintained out of which seven (7) attracted account maintenance charges.

In the circumstances, the University continues to incur nugatory expenses on dormant accounts and value for money from such expenses could not be confirmed.

## **3. Failure to Remit Staff Deductions**

The consolidated statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.6,782,416,000 which includes staff deductions not remitted to respective bodies of Kshs.5,208,208,000 as disclosed in Note 27 to the financial statements. This is contrary to Section 35 of Cooperatives Act Cap 490 and Section 53A of Retirement Benefits Act, 1997 which states that where an employer, having with the agreement of an employee who is a member of a scheme, made a deduction from the employee's emoluments for remittance to the scheme, fails to remit the deduction within fifteen days of the deduction, the scheme may, after giving such employer not less than seven days' notice, institute proceedings for the recovery of the deduction. Further, the University may face legal challenges on outstanding deductions including payment of interest on unremitted staff deductions.

In the circumstances, Management was in breach of the law.

## **4. General Suppliers' Payables**

The consolidated statement of financial position reflects trade and other payable from exchange transactions of Kshs.6,782,416,000 which includes a balance of Kshs.6,712,398,000 for Moi University which further includes an amount of Kshs.1,158,163,080 for general suppliers as disclosed in Note 27 to the financial statements. The balance of Kshs.1,158,163,080 is made up of Kshs.1,069,431,054 for payables which dates from 2015/2016 financial year to 2021/2022 and Kshs.88,732,026 are payables for the year under review. However, the Management could not explain why the balance of Kshs.1,158,163,080 had not been settled. This is contrary to Paragraph 3.1 of the Moi University Creditors Policy document 2016 which states that the Deputy Vice Chancellor finance shall ensure that all contracts awarded by the University stipulate

payment terms that are favorable to the University. As far as possible, payment should fall due not sooner than 90 days from the invoice date, unless (a) there are financial incentives for the University to effect earlier payment; or in the case of small, micro and medium enterprises, this policy may cause financial hardship to the supplier in which case payment may be effected at the end of the month during which the service is rendered, goods supplied or works executed.

In the circumstances, Management was in breach of the law.

#### **5. National Government Constituencies Development Fund (NGCDF) and Other Sponsors**

The consolidated statement of financial position reflects trade and other payable from exchange transactions of Kshs.6,782,416,000. Included in this balance is Moi University amount of Kshs.6,712,398,000 which further includes Kshs.85,372,508 from NGCDF and Other Sponsors (OS).

Scrutiny of the records for National Government Constituencies Development Fund and Other Sponsors payable provided for audit revealed that a total of Kshs.62,988,741 was received by the University in the year under review whereas Kshs.22,383,767 related to the previous years. However, the total amount of Kshs.85,372,508 was neither credited to the sponsored students accounts nor refunded to the sponsors.

In the circumstances, the intended beneficiaries' risks discontinuing their education due to unpaid fees.

#### **6. Intangible Assets**

Review of contract documents revealed that a contractor was awarded a contract to supply and install an Enterprise Resource Planning (ERP) software at a contract sum of Kshs.26,595,959 which included a one lifetime license fee of Kshs.11,500,000. However, the useful life of the intangible asset, whether the intangible asset useful life is indefinite or finite and, if finite, the useful life or the amortization rates used were not disclosed in the financial statements.

Further, although the Management provided status report indicating completion of the project, no evidence was provided indicating commissioning of the software and it was therefore not possible to confirm whether the project is fully completed or not.

In the circumstances, value for money on Kshs.19,944,000 paid for the intangible asset could be confirmed.

#### **7. Missing Note**

The statement of cash flows reflects provision for audit fees negative balance of Kshs.3,730,000 which should be supported by Note 29 to the financial statements. However, Note 29 was missing instead the balance was supported by Note 28 to the financial statements.

In the circumstances, the financial statements were not presented in accordance with the prescribed standards.

## **8. Missing Signature**

Review of the financial statements revealed that the signature for the Vice Chancellor was missing under the report on implementation status of Auditor-General's recommendations.

In the circumstances, the contents of the report could not be confirmed to be correct.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

#### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

#### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the University's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the University or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the University's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the University policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the University to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the University to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**22 March, 2024**

**Moi University**  
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**14. Consolidated Statement of Financial Performance for the year ended 30 June 2023**

	Notes	Moi Univ 2022-2023 Kes'000	Rivatex E.A. Ltd 2022-2023 Kes'000	Consolidated 2022/2023 Kes'000	Consolidated 2021/2022 Kes'000
<b>Revenue from non-exchange transactions</b>					
Grants from National Government	6	4,275,877	102,222	4,378,099	4,367,513
<b>Total Revenue from non-exchange transactions</b>		<b>4,275,877</b>	<b>102,222</b>	<b>4,378,099</b>	<b>4,367,513</b>
<b>Revenue from exchange transactions</b>					
Rendering of Services	7	1,804,054	-	1,804,054	2,118,763
Sale of Goods	8	105,883	(293,074)	(187,191)	(167,795)
Rental Revenue from Facilities and Equipment	9	9,253	-	9,253	4,323
<b>Total Revenue from exchange transactions</b>		<b>1,919,190</b>	<b>(293,074)</b>	<b>1,626,116</b>	<b>1,955,323</b>
<b>Total revenue</b>		<b>6,195,067</b>	<b>(190,851)</b>	<b>6,004,215</b>	<b>6,322,836</b>
<b>Expenses</b>					
Use of Goods and Services	10	1,827,013	57,996	1,885,009	1,647,488
Employees Costs	11	4,604,605	67,436	4,672,041	5,010,606
Remuneration to Council	12	24,348	4,363	28,711	34,553
Depreciation and Amortization	13	99,309	5,318	104,627	108,369
Repairs and Maintenance	14	177,665	18,339	196,004	186,465
Contracted Services	15	68,168	3,289	71,457	34,483
<b>Total expenses</b>		<b>6,801,108</b>	<b>156,741</b>	<b>6,957,849</b>	<b>7,021,964</b>
<b>Other gains/(losses)</b>					
<b>Deficit for the year</b>		<b>(606,041)</b>	<b>(347,592)</b>	<b>(953,633)</b>	<b>(699,128)</b>

The notes set out on pages 10 to 51 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 9 were signed on behalf of the University Council by:

  
 .....

Prof. Isaac S. Kosgey Ph.D., MBS  
 Vice Chancellor

Date 13/2/2024

  
 .....

CPA Egla C.K. Samoei  
 Ag. Chief Finance Officer  
 ICPAK M/No:5141

Date 13/2/2024

  
 .....

Dr .Dr. Humprey K. Njuguna  
 Ph.D., Law, Ph.D., Entrep.  
 Chairman of Council

Date 13/2/2024

**Moi University**  
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**15. Consolidated Statement of Financial Position As At 30 June 2023**

	Notes	2022-2023	2022-2023	2022-2023	2021-2022
		Moi Univ	Rivatex E.A Ltd	Consolidated	Consolidated
		Kes '000	Kes '000	Kes'000	Kes'000
<b>Assets</b>					
<b>Current assets</b>	Notes				
Cash and cash equivalents	20	549,602	35,881	585,483	942,073
Receivables from exchange transactions	21	1,536,798	111,355	1,615,524	1,413,364
Receivables from non-exchange transactions	22	1,347,233		1,347,233	1,335,689
Inventories	23 a	54,635	481,388	536,023	568,560
Biological assets	23 b	247	-	247	407
		<b>3,488,515</b>	<b>628,624</b>	<b>4,084,510</b>	<b>4,260,092</b>
<b>Non-current assets</b>					
Property, plant and equipment	25	5,345,225	6,074,932	11,420,187	11,300,352
Investment	24	1,000	-	-	-
Intangible assets	26	19,944	38,305	19,944	55,011
Biological assets	23 b	63,012	-	63,012	44,908
		<b>5,429,181</b>	<b>6,113,237</b>	<b>11,503,143</b>	<b>11,400,271</b>
<b>Total assets</b>		<b>8,917,696</b>	<b>6,741,861</b>	<b>15,587,652</b>	<b>15,660,363</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables from exchange transactions	27*	6,712,398	140,924	6,782,416	5,860,063
Other liabilities and provisions		14,420	-	14,420	10,980
Bank account	20	-	-	-	17,116
		<b>6,726,818</b>	<b>140,924</b>	<b>6,796,836</b>	<b>5,888,539</b>
<b>Non-current liabilities</b>					
GoK loan	31	231,250	-	231,250	231,250
		<b>231,250</b>	<b>-</b>	<b>231,250</b>	<b>231,250</b>
<b>Total liabilities</b>		<b>6,958,068</b>	<b>140,924</b>	<b>7,028,086</b>	<b>6,119,789</b>
<b>Net assets</b>		<b>1,959,628</b>	<b>6,600,937</b>	<b>8,559,566</b>	<b>9,540,574</b>
Capital Reserves		4,726,313	9,567,757	14,294,070	13,976,995
Share Capital			1,000	-	-
Revaluation Reserve			73,653	73,653	73,653
Revenue Reserve		(2,766,685)	(3,041,472)	(5,808,157)	(4,510,106)
		<b>1,959,628</b>	<b>6,600,937</b>	<b>8,559,566</b>	<b>9,540,574</b>

The financial statements set out on pages 1 to 9 were signed on behalf of the University Council by:

  
 Prof. Isaac S. Kosgey Ph.D., MBS  
 Vice Chancellor

Date 13/2/2024

  
 CPA Egla C.K. Samoei  
 Ag. Chief Finance Officer  
 ICPAK M/No:5141  
 Date 13/2/2024

  
 Dr. Dr. Humprey K. Njuguna  
 Ph.D., Law, Ph.D., Entrep.  
 Chairman of Council  
 Date 13/2/2024

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**16. Consolidated Statement of Changes in Net Assets for the year ended 30 June 2023**

	Notes	Capital reserve Kes'000	Revaluation reserve Kes'000	Retained earnings Kes'000	Total Kes'000
<b>As at July 1, 2021</b>		<b>13,860,198</b>	<b>73,653</b>	<b>(3,919,315)</b>	<b>10,014,536</b>
Deficit for the year				(699,128)	(699,128)
Capital/Development grants received during the year		225,166			225,266
Transfer of depreciation/amortisation from capital fund to retained earnings		(108,369)		108,369	-
<b>As at June 30, 2022</b>		<b>13,976,995</b>	<b>73,653</b>	<b>(4,510,074)</b>	<b>9,540,574</b>
<b>As at July 1, 2022</b>		<b>13,976,995</b>	<b>73,653</b>	<b>(4,510,074)</b>	<b>9,540,574</b>
Capital/Development grants received during the year-Moi		31,544			31,544
Capital/Development grants received during the year-Rivatex		244,139			244,139
Transfer of depreciation/amortisation from capital fund to retained earnings		(104,027)		104,027	-
Deferred Tax on Excess Depreciation		(303,057)			(303,057)
Deficit for the year		-	-	(953,634)	(953,634)
<b>As at June 30, 2023</b>		<b>13,845,594</b>	<b>73,653</b>	<b>(5,359,602)</b>	<b>8,559,566</b>

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**17. Consolidated Statement of Cash Flows for the year ended 30 June 2023**

		2022-2023	2022-2023	2022-2023	2021-2022
		Moi Univ	Rivatex	Consolidated	Consolidated
		Kes'000	Kes'000	Kes'000	Kes'000
<b>Cash flows from operating activities</b>					
Transfers from other governments entities	6	4,275,877	102,222	4,378,099	4,367,513
Rendering of services	7	1,804,054	-	1,804,054	2,118,763
Sale of goods	8	105,883	(293,074)	(187,191)	(167,795)
Rental revenue from facilities and equipment	9	9,253	-	9,253	4,323
Finance income		-	-	-	32
<b>Total Receipts</b>		<b>6,195,066</b>	<b>(190,851)</b>	<b>6,004,215</b>	<b>6,322,836</b>
<b>Payments</b>					
Use of Goods and Services	10	1,827,013	57,996	1,885,009	1,647,325
Employees Costs	11	4,604,605	67,436	4,672,041	5,010,606
Remuneration of the Council	12	24,348	4,363	28,711	34,553
Depreciation and Amortization Expenses	13	99,309	5,318	104,627	108,369
Repairs and Maintenance	14	177,665	18,339	196,004	186,465
Contracted Services	15	68,168	3,289	71,457	34,483
<b>Total Payments</b>		<b>6,801,108</b>	<b>156,741</b>	<b>6,957,849</b>	<b>7,021,964</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>(606,041)</b>	<b>(347,592)</b>	<b>(953,634)</b>	<b>(699,128)</b>
Adjustments for:-					
Depreciation	25	99,309	4,718	104,027	108,369
Provision for audit fees		3,730	-	3,730	4,020
(Decrease)/increase in provision for d. debts		47,130	37,144	84,274	23,497
<b>Operating deficit before working capital changes</b>		<b>(455,873)</b>	<b>(305,130)</b>	<b>(761,003)</b>	<b>(563,241)</b>
<b>Changes in working capital</b>					
Decrease in inventories	23	32,537	64,322	96,859	74,094
(Increase)/decrease in biological assets	23	(17,944)	92,232	74,288	156,863
Increase in trade and other payables	27	572,193	2,145	574,338	410,163
Provision for audit fees	29	(3,730)	-	(3,730)	(4,020)
Increase in doubtful debts provision	21 c	(47,130)	37,144	(9,986)	(23,497)
Increase in trade and other receivables	21	(331,536)	(28,552)	(329,604)	(201,606)
Increase in recievable from Non Exchange	22	(11,544)	-	(11,544)	
<b>Total Changes in Working Capital</b>		<b>(232,543)</b>	<b>(137,839)</b>	<b>(370,382)</b>	<b>(151,244)</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant, equipment and intangible assets	25	(173,424)	(71,682)	(245,105)	(130,254)
Proceeds on disposal of assets		-	-	-	538
<b>Net cash flows from investing activities</b>		<b>(173,424)</b>	<b>(71,682)</b>	<b>(245,105)</b>	<b>(129,716)</b>
<b>Net cash flows from financing activities</b>					
Capital development grants from GoK	6 b	31,544	244,139	275,683	225,166

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Repayment of Overdraft			(16,786)	(16,786)	-
Restatement of Rivatex capital grants					-
<b>Net cash flows from financing activities</b>		<b>31,544</b>	<b>227,353</b>	<b>258,894</b>	<b>225,166</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(374,422)</b>	<b>17,832</b>	<b>(356,590)</b>	<b>(55,795)</b>
Cash and cash equivalents as at 1 July, 22	17	924,024	18,049	942,073	997,867
<b>Cash and cash equivalents as at 30 June,23</b>	<b>17</b>	<b>549,602</b>	<b>35,881</b>	<b>585,483</b>	<b>942,073</b>

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18. Statement of Comparison of Budget And Actual Amounts for the year ended 30 June 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	
	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	
<b>Revenue</b>						
Exchequer grants	3,438,280	-	3,438,280	3,438,280	-	100%
Tuition and related charges	2,530,722	-	2,530,722	891,775	(1,638,947)	35%(i)
Students accommodation and catering fees	83,126	-	83,126	53,191	(29,935)	64%
Students field trips/courses	128,668	-	128,668	84,784	(43,883)	66%
Students activities	56,303	-	56,303	43,773	(12,530)	78%
Research Funds	282,955	-	282,955	214,716	(68,238)	76%
Farm income	24,400	-	24,400	2,089	(22,310)	9%
Rental income	3,608	-	3,608	8,014	4,405	222%
MU Technologies income	200,000	-	200,000	46,596	(153,403)	23%(ii)
Elimu Millers income	27,150	-	27,150	-	(27,150)	0%(iii)
Apple Farming Project	20,000	-	20,000	-	(20,000)	0%(iv)
Other income	120,064	-	120,064	52,751	(67,312)	44%
<b>Total income</b>	<b>6,915,280</b>	<b>-</b>	<b>6,915,280</b>	<b>4,835,974</b>	<b>(2,079,306)</b>	<b>70%</b>
<b>Expenses</b>						
<b>Personal emoluments</b>						
Basic salaries	2,417,719	-	2,417,719	2,438,181	(20,462)	101%
Gratuity and pensions contributions	407,265	-	407,265	356,791	50,473	88%
House allowance	947,556	-	947,556	955,068	(7,512)	101%
Other personal allowances	336,644	-	336,644	364,920	(28,275)	108%
Commuting allowance	317,210	-	317,210	318,274	(1,063)	100%
<b>Sub-total</b>	<b>4,426,395</b>	<b>-</b>	<b>4,426,395</b>	<b>4,433,236</b>	<b>(6,840)</b>	<b>100%</b>
<b>Operations and maintenance expenses</b>						
Passage and Leave	26,513	-	26,513	15,207	11,305	57%

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Adjunct Lecturers Salaries	8,442	-	8,442	10,805	(2,363)	128%
Casual Wages	167,214	-	167,214	147,511	19,703	88%
Medical expenses	242,408	53,987	296,396	243,196	53,200	82%
Transport operating expenses	10,307	1,950	12,257	5,286	6,971	43%
Travelling and accommodation expenses	10,095	1,039	11,134	6,829	4,305	61%
External travel and accommodation expenses	2,209	2,550	4,759	3,014	1,746	63%
External examiners	11,147	8,500	19,647	11,570	8,077	59%
Postal expenses	423	-	423	418	5	99%
Telephone expenses	80	-	80	-	80	0%
Internet expenses	46,111	9,443	55,554	38,856	16,698	70%
Official entertainment	808	220	1,029	977	52	95%
Deans committee and senate expenses	2,207	-	2,207	876	1,331	40%
Conferences and seminars	3,003	706	3,709	3,749	(39)	101%
Council expenses	28,802	-	28,802	23,303	5,499	81%
Staff welfare support and funeral expenses	1,582	-	1,582	1,017	566	64%
Graduation expenses	12,509	-	12,509	10,764	1,745	86%
Open and cultural day expenses	200	-	200	-	200	0%
Electricity, water and conservancy expenses	95,287	-	95,287	83,781	11,505	88%
Teaching materials	75,709	-	75,709	2,481	73,227	3%
Publishing and printing expenses	1,384	-	1,384	428	956	31%
Purchase of uniforms and clothing	1,698	-745	953	-	953	0%
Library expenses	30,234	-	30,234	758	29,476	3%
Purchase of stationery	14,791	910	15,702	6,384	9,318	41%
Advertising and publicity	10,966	-3,000	7,966	2,627	5,339	33%
Audit fees and expenses	14,676	-5,000	9,676	2,485	7,191	26%
Payment of rent and rates	60,086	36,948	97,034	54,060	42,974	56%
Computer expenses	4,116	-	4,116	57	4,059	1%
Insurance expenses	69,119	-	69,119	51,803	17,316	75%
Legal expenses	40,260	-23,152	17,108	16,546	562	97%

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Cleaning materials and detergents	10,292	-	10,294	639	9,655	6%
Farm expenses	15,140	-	15,140	2,235	12,905	15%
Training expenses	4,632	-	4,633	937	3,696	20%
Post graduate programme	770	-	770	4,975	(4,205)	646%(v)
University research programme	3,524	-	3,524	1,569	1,955	45%
Purchase of motor vehicles	30,000	-	30,000	-	30,000	0%
Purchase of plant and equipment	60,230	(30,000)	30,230	-	30,230	0%
Repairs and Maintenance of Plant & Equip	1,458	1,206	2,664	1,090	1,574	41%
Purchase of medical equipment	-	-	-	-	-	-
Maintenance of buildings	30,534	-	30,534	13,793	16,741	45%
Maintenance of computers	1,209	-	1,209	58	1,151	5%
Maintenance of catering and hostels facilities	39,230	-	39,230	13,299	25,931	34%
Maintenance of water supplies	4,912	-	4,912	1,902	3,009	39%
Maintenance of playgrounds	1,102	753	1,855	1,334	521	72%
ICT infrastructure	10,000	(5,000)	5,000	1,027	3,973	21%
Online Teaching Infrastructure	2,000	-	2,000	-	2,000	0%
ERP expenses	6,700	-	6,700	5,496	1,204	82%
IODL expenses	6,426	-	6,426	-	6,426	0%
Infrastructure development	40,500	(10,804)	29,696	145	29,551	0%
Payment of outstanding debts	221,967	-	221,967	85,938	136,029	39%
Remedial Plan-Pension and Provident	171,512	-	171,512	-	171,512	0%
Programme accreditation costs	15,240	-	15,240	142	15,098	1%
Curriculum Development and Review	12,000	-	12,000	217	11,783	2%
Contract services and subscriptions	20,239	-	20,239	8,641,	11,598	43%
Research funds disbursements	194,294	-	194,294	300,537	(106,243)	155%(vi)
Students field trips/courses	128,668	-	128,668	118,574	10,094	92%
MU Technologies expenses	249,095	-	249,095	5,388	243,707	2%
Covid-19 intervention and mitigation costs	10,000	-	10,000	-	10,000	0%
Students activities	56,304	-	56,303	18,345	37,958	33%

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Apple Farming Project	46,000	-	46,000	7,728	38,272	17%
Contingent expenses	4,154	-	4,155	2,384	1,771	57%
Satellite campuses expenses	1,986	485,372	2,472	2,595	(123,)	105%
ISO and ISO related expenses	7,900	-	7,900,000	213	7,687	3%
Strategic plan implementation & monitoring	5,405	-	5,404,624	6,512,670	(1,108)	121%(vii)
Performance contracting expenses	6,981	-	6,981	2,674,685	4,306	38%
Revaluation of fixed assets	2,030	-1,000,000	1,030	-	1,030	0%
Gok loan repayment	4,138	-	4,138	-	4,137	0%
Solar Project	40,000	-40,000,000	-	-	-	-
Elimu Millers expenses	16,290	-	16,290	1,455	14,834	9%
KUCCPS placement costs	7,298	-	7,298	-	7,297,950	0%
Directorate of communication expenses	2,313	-	2,313	-	2,312,744	0%
IPO and linkages expenses	4,010	-	4,010	-	4,010,000	0%
<b>Sub-total</b>	<b>2,488,885</b>	<b>-</b>	<b>2,488,885</b>	<b>1,354,641</b>	<b>1,134,243</b>	<b>54%</b>
<b>Total expenditure</b>	<b>6,915,281</b>	<b>-</b>	<b>6,915,281</b>	<b>5,787,878</b>	<b>1,127,402</b>	<b>84%</b>
<b>Surplus/(deficit) for the period</b>				<b>(952,869)</b>	<b>(952,869)</b>	

*Reconciliation of financial performance deficit and actual on comparable basis*

Deficit as per actual on comparable basis	Kes'000	Kes'000
Add: Payment of outstanding debts	105,937	(952,869)
Accruals	330,270	
Provisions	10,008	<b>446,215</b>
Less:		(506,654)
Depreciation	(99,309)	(99,309)
Deficit as per statement of financial performance		(606,041)

*1. The changes between the original and final budget was due to virement of funds from unutilised budget lines to core mandate budget lines.*

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*2. Budget variances:*

- i) The number of students who were enrolled during the year were less than those projected.
- ii) MU Technologies was anticipating to secure a contract with ICTA in the year under review but this did not materialize.
- iii) The Elimu Millers was not operational during the year under review.
- iv) There was an anticipation of harvesting of Apples which was never realized.
- v) There were increased post graduate activities during the year.
- vi) There was increase in research activities utilizing the available funds as the projects individual budgets for planned activities.
- vii) During the year under review the new Strategic plan -2023-2027, was being worked on, necessitating many meetings and engagements with the stakeholders

## **19. Notes to the Financial Statements**

### **1. General Information**

Moi University is established by and derives its authority and accountability from the Universities Act, 2012 and the Moi University Charter, 2013. The University is wholly owned by the Government of Kenya and is domiciled in Kenya. The University's principal activity is the provision of University education through teaching, research and outreach

### **2. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the University's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the University.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the Universities Act 2012, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### **3. Adoption of New and Revised Standards**

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.*

IPSASB deferred the application date of standards from 1<sup>st</sup> January 2023 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1<sup>st</sup> January 2023.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

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Standard	Effective date and impact:
<b>IPSAS 41: Financial Instruments</b>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an University's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an University's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<b>IPSAS 42: Social Benefits</b>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting University provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the University.</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the University's financial performance, financial position and cash flows.</li> </ol>
<b>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</b>	<p><b>Applicable: 1st January 2023:</b></p> <ol style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> </ol>

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Standard	Effective date and impact:
	<p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p><i>Applicable 1<sup>st</sup> January 2023</i></p> <ul style="list-style-type: none"> <li>• IPSAS 22 Disclosure of Financial Information about the General Government Sector.</li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• IPSAS 39: Employee Benefits</li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of the University.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p>

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Standard	Effective date and impact:
	<p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

*iii. Early adoption of standards*

The University did not early – adopt any new or amended standards in year 2022/2023.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Fees, taxes and fines**

The University recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the University and the fair value of the asset can be measured reliably.

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the University and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

**ii) Revenue from exchange transactions**

**Rendering of services**

The University recognizes revenue from rendering of services when the event occurs and the asset recognition criteria are met.. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

**Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the University.

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

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**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the University's right to receive payments is established.

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

**b) Budget information**

The original budget for FY 2022-2023 was approved by the National Assembly in July, 2022. Revision of the Budget during the supplementary 1 budget estimates saw our Capital Development budget revised down wards from Kes. 80,000,000 to Kes. 31,544,431

The University's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section *xvii* of these financial statements.

**c) Taxes**

**Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the University operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable University and the same taxation authority.

***Sales tax***

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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**d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30 year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

**e) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the University recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

The annual depreciation rates in use are as follows

Land –	Amortised for the remaining lease period
Building-	2.5%
Furniture, Plant and Equipment-	12.5%
Computers-	30%
Motorvehicles-	25%

**f) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the University. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The University also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the University will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the University. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**h) Research and development costs**

The University expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the University can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale
- ii) Its intention to complete and its ability to use or sell the asset
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**i) Financial instruments**

**a) Financial assets**

**Initial recognition and measurement**

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and

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receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The University determines the classification of its financial assets at initial recognition.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

**Held-to-maturity.**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the University has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

**Impairment of financial assets**

The University assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the University of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- i) The debtors or an University of debtors are experiencing significant financial difficulty.
- ii) Default or delinquency in interest or principal payments
- iii) The probability that debtors will enter bankruptcy or other financial reorganization.
- iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)

**b) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The University determines the classification of its financial liabilities at initial recognition., All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

**Loans and borrowing**

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After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**j) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *University*.

**k) Provisions**

Provisions are recognized when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the University expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**l) Contingent liabilities**

The University does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

**m) Contingent assets**

The University does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the University in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the

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financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**n) Nature and purpose of reserves**

The University creates and maintains reserves in terms of specific requirements. The University's reserves and their purpose in indicated in the statement of changes in net assets.

**Changes in accounting policies and estimates**

The University recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**o) Employee benefits**

**Retirement benefit plans**

The University provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an University pays fixed contributions into a separate University (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the

projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**p) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date.

Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**q) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**r) Related parties**

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The University regards a related party as a person or an University with the ability to exert control individually or jointly, or to exercise significant influence over the University, or vice versa. Members of key management are regarded as related parties and comprise of the Council members, the Vice Chancellor and senior management.

**Service concession arrangements**

The University analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the University recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price.

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the University also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**s) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are accounted for in accounts receivable

**t) Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**u) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the University's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The University based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the University. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual value**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the University.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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**6. Transfers from Other Government entities**

Description	2022-2023	2021-2022
	KShs	KShs
<b>Unconditional grants</b>		
Operational (Capitation) Grants	3,438,281	4,367,523
Other grants(ACEII)	24,055	
USAID	813,541	
<b>Total Unconditional Grants</b>	<b>4,275,877</b>	<b>4,367,523</b>

**b) Transfers from Ministries, Departments and Agencies (MDAs)**

Name of the University sending the grant	Amount recognized to Statement of Financial performance Kes'000	Amount deferred under deferred income Kes'000	Amount recognised in capital fund. Kes'000	Total transfers 2022/23 Kes'000	Prior year 2021/2022 Kes'000
State Department for University Education and Research	4,275,877		20,000	4,295,877	4,397,523
Ministry of Industrialization and Enterprise Development	102,222		244,139	346,361	195,166
<b>Total</b>	<b>4,378,099</b>		<b>264,139</b>	<b>4,642,238</b>	<b>4,592,689</b>

**7. Rendering of Services**

Description	2022-2023	2021-2022
	Kes'000	Kes'000
Tuition fees	1,246,192	1,262,736
Registration fees	6,356	9,619
Students' ID fees	3,044	2,819
Examination fees	41,277	37,346
Medical fees	35,293	42,700
Activity fees	28,926	39,667
Games and sports fees	14,847	25,233
Computer fees	36,030	54,126
Internet connectivity fees	39,295	50,985
Application fees	4,038	4,221
Workshop/attachment fees	84,784	106,976
Amenity fees	17,949	27,323
Sundry Income	246,023	455,012
<b>Total Rendering of Services</b>	<b>1,804,054</b>	<b>2,118,763</b>

**8. Sale of Goods**

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Description	2022-2023	2021-2022
	Kes'000	Kes'000
Accommodation and catering services	57,453	62,567
Elimu Millers	-	23
Farming activities	2,090	2,361
MU Technologies income*	45,631	11,659
Disposal of Assets	709	
	<b>105,883</b>	<b>76,610</b>
Rivatex gross profit	(293,075)	-
<b>Total Sale of Goods</b>	<b>(187,192)</b>	<b>76,610</b>

i). Elimu Milling

Description	2022-2023	2021-2022
	Kes'000	Kes'000
Sales		23
Opening stocks		3
Operating expenses		195
Closing stocks		-
<b>Cost of sales</b>		<b>198</b>
<b>Deficit for the year</b>		<b>(175)</b>

ii). Farm Revenue Account

Description	2022-2023	2021-2022
	Kes'000	Kes'000
Sales	1,836	2,361
Opening stocks	5,315	7,374
Operating expenses	2,235	3,831
Personnel costs	1,686	1,495
Closing stocks	(262)	(5,315)
<b>Cost of sales</b>	<b>(8,974)</b>	<b>(7,385)</b>
<b>(Deficit)/surplus for the year</b>	<b>(7,138)</b>	<b>(5,024)</b>

iii). MU Technologies

Description	2021-2023	2021-2022
	Kes'000	Kes'000
Sales	45,631	11,659
<b>Cost of sales</b>		
Opening stocks	853	875
Operating expenses	5,388	26,689
Closing stocks	(32,718)	(853)
	<b>(26,477)</b>	<b>(26,711)</b>
<b>Deficit for the year</b>	<b>19,154</b>	<b>(15,142)</b>

iv). Rivatex Trading Account

Description	2022-2023	2021-2022
	Kes'000	Kes'000

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<b>Sales</b>		
Product sales	331,095	369,678
Less Return Inwards	(1,435)	-
<b>Total Sales</b>	<b>329,660</b>	<b>369,678</b>
<b>Cost of sales</b>		
<b>Direct costs</b>		
Opening stocks	28,001	130,443
Purchases	100,248	67,624
Closing stocks	(28,264)	(28,001)
<b>Cost of raw materials</b>	<b>99,984</b>	<b>170,066</b>
Direct labour	98,686	106,064
Factory electricity	30,512	35,467
Factory water	7,816	8,736
	<b>137,014</b>	<b>150,267</b>
<b>Indirect costs</b>		
Firewood expenses	18,216	14,318
Salaries and wages	48,136	52,282
Packaging materials	954	603
Designs and screens	-	0
Lubricants and oils	4,846	9,981
Staff uniforms and consumables	469	23
Repairs & maintenance	16,054	12,710
Spares and consumables	9,748	6,769
Tailoring consumables	13,201	7,880
Depreciation	170,105	168,179
	<b>281,729</b>	<b>272,745</b>
	<b>518,728</b>	<b>593,078</b>
Add: Opening Work in progress	217,557	309,621
Less: Closing Work in progress	(122,883)	(217,558)
<b>Cost of good manufactured</b>	<b>613,404</b>	<b>685,141</b>
Add: Opening Finished goods	150,155	79,097
Less: Closing Finished goods	(140,824)	(150,155)
<b>Cost of Sales</b>	<b>622,735</b>	<b>614,083</b>
<b>Gross profit</b>	<b>(293,075)</b>	<b>(244,405)</b>
<b>Add Other Income</b>	<b>1</b>	
<b>Total Gross Profit</b>	<b>(293,074)</b>	

**9. Rental Revenue from Facilities and Equipment**

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Rental income	9,253	-	9,253	4,323
Lease of motor vehicle				
<b>Total sundry income</b>	<b>9,253</b>	<b>-</b>	<b>9,253</b>	<b>4,323</b>

**10. Use of Goods and Services**

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Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ. Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Teaching materials	3,123	-	3,123	10,468
Postgraduate expenses	12,434	-	12,434	
Travelling and Accommodation expenses	6,854	19,065	25,919	26,142
Stationery	3,869	2,966	6,835	6,485
Staff development	937		937	808
Research programme expenses	1,137,043	5,731	1,142,774	1,031,130
University Research Programme	1,569		1,569	
Field courses	118,574		118,574	92,859
CUE quality charges	3,101		3,101	4,963
Senate expenses	877		877	105
Publishing and Printing	428		428	-
Advertisement & publicity	945		945	656
Office and computer expenses	37,906	2,815	40,721	42,182
Telephone	418		418	484
Purchase of uniforms	-		-	850
Passage and baggage	1,278		1,278	8
Ceremonial and funeral expenses	1,017		1,017	2,186
Library books, periodicals & journals	816		816	1,856
ISO and ISO related expenses	18,042		18,042	1,644
Provision for audit fees	3,730	290	3,730	4,020
Increase in provision for doubtful debts	47,130		47,130	23,496
Postal and telegram	-	5,275	5,275	-
Graduation expenses	10,185		10,185	9,930
Student admission & examination expenses	635		635	1,694
Student welfare services	23,501		23,501	17,758
External examiners expenses	11,570		11,570	14,794
External travel & accommodation	2,989		2,989	5,441
Conferences & seminars	3,930		3,930	710
Public Celebrations and Official entertainment	977		977	15
Programme Accreditation	142		142	328
Staff & student welfare	244,196	6,420	250,616	193,933
Recruitment expenses				-
Students accommodation & catering	101,775		101,775	62,637
Miscellaneous expenses	14,358		14,358	33,373
Loss on Biological Assets	1,897		1,897	-
MU Technologies expenses	5,388		5,388	26,689
Farm expenses	3,921		3,921	5,357
Elimu expenses	1,456		1,456	195
Sales and Marketing Expenses		2,657	2,657	9,719
Finance Costs		1,249	1,249	1,731
Admin Expenses		11,528	11,528	5,922
	<b>1,827,013</b>	<b>57,996</b>	<b>1,885,009</b>	<b>1,647,488</b>

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Notes to the Financial Statements (Continued)

11. Employee Costs

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Basic salary	2,550,037	50,520	2,600,557	2,810,476
House allowance	955,888	-	955,888	997,706
Gratuity and retirement benefits	388,715	16,916	405,631	375,537
Car and commuting allowances	318,496		318,496	333,153
Responsibility allowance	354,096		354,096	437,552
Entertainment allowance	-		-	18,759
Leave allowance	13,930		13,930	14,573
NITA	863		863	
Part time payments	22,580		22,580	37,421
<b>Total Employee Costs</b>	<b>4,604,605</b>	<b>67,436</b>	<b>4,672,041</b>	<b>5,010,606</b>

12. Remuneration to Council

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Honoraria to chairman	1,044	896	1,940	1,940
Council expenses	23,304	3,467	27,771	32,613
<b>Total Remuneration to Council</b>	<b>24,348</b>	<b>4,363</b>	<b>28,711</b>	<b>34,553</b>

13. Depreciation and Amortization

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Property, plant and equipment	98,869	5,318	104,187	107,929
Amortization	440	751	1,191	440
<b>Total Depreciation and Amortization</b>	<b>99,309</b>	<b>6,069</b>	<b>105,378</b>	<b>108,369</b>

14. Repairs and Maintenance

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Vehicle running expenses	5,409	7,667	13,076	27,856
Rent and rates	54,060	6,972	61,032	49,361
Electricity, water & conservancy	83,781	1,194	84,975	83,581
Maintenance of buildings	27,873	-	27,873	18,243
Maintenance of plant and equipment	6,542	2,506	9,048	7,335
<b>Total Repairs and Maintenance</b>	<b>177,665</b>	<b>18,339</b>	<b>196,004</b>	<b>186,465</b>

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Notes to the Financial Statements (Continued)  
 Summary of Significant Accounting Policies (Continued)

15. Contracted Services

Description	2022-2023	2022- 2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Insurance expenses	51,500	2,176	53,676	25,486
Legal expenses	16,668	1,113	17,781	8,997
<b>Total Contracted Services</b>	<b>68,168</b>	<b>3,289</b>	<b>71,457</b>	<b>34,483</b>

16. Gain on Sale of Assets

Description	2022-2023	2022- 2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Property , plant and Equipment	709	-	709	
Intangible assets				
Other assets not capitalised				
<b>Total gain on sale of assets</b>	<b>709</b>	<b>-</b>	<b>709</b>	

17. Gain on Foreign Exchange

Description	2022-2023	2022- 2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Foreign Exchange Gain	-	-	-	32
<b>Total Contracted Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32</b>

18. Impairment Loss

Description	2022-2023	2022- 2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Property , plant and Equipment				

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Intangible assets				
Other assets not capitalised				
<b>Total Impairment Loss</b>				

**19. Taxation**

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Current income tax charge	-			
Tax charged on rental income				
Tax charged on interest income				
Deffered tax	-			
Original and reversal of temporary differences				
<b>Income tax expenses reported in the statement of financial performance</b>				

**20. Cash and Cash Equivalents**

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ	Rivatex	Consolidated	Consolidated
			Kes'000	Kes'000
Current accounts	549,580	35,845	585,425	941,131
Mpesa/cash at hand	22	36	58	942
<b>Cash and cash equivalents</b>	<b>549,602</b>	<b>35,881</b>	<b>585,483</b>	<b>942,073</b>
Bank account (Overdraft)	-	-	-	-
<b>Total Cash and cash equivalents</b>	<b>549,602</b>	<b>35,881</b>	<b>585,483</b>	<b>942,073</b>

**Detailed analysis of cash and cash equivalents**

Financial institution	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
<b>Current Account</b>				
Absa Bank of Kenya	27,650	-	27,650	67,925
Co-operative Bank of Kenya	2,289	11,357	13,646	2,661
Equity Bank	122	6,541	6,663	16,603
Kenya Commercial Bank	387,360	17,947	405,307	587,235
National Bank of Kenya	120,407	-	120,407	212,089
Standard Chartered Bank	309	-	309	171
Access Bank	11,444	-	11,444	54,449
<b>Sub- total</b>	<b>549,580</b>	<b>35,845</b>	<b>585,425</b>	<b>941,131</b>
<b>Mpesa/Cash at hand</b>				
Mpesa	22	36	58	941
Cash at hand	-	-	-	-
<b>Sub- total</b>	<b>22</b>	<b>36</b>	<b>58</b>	<b>2,745</b>
<b>Grand total (Annex. iv)</b>	<b>549,602</b>	<b>35,881</b>	<b>585,483</b>	<b>942,073</b>

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**21. Receivables from exchange transactions**

**(a) Receivables from Exchange Transactions (Current)**

	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ	Rivatex	Consolidated	Consolidated
	Kes'000	Kes'000	Kes'000	Kes'000
Students' fees debtors	1,726,707	-	1,726,707	1,486,395
Bookshop/imprest/other debtors	42,680		42,680	75,043
Trade and other receivables	75,064	380	75,444	112,875
Other PSSP debtors	800	21,506	22,306	-
Other trade receivables	84,187	94,178	145,736	79,333
	<b>1,929,438</b>	<b>116,064</b>	<b>2,012,874</b>	<b>1,753,046</b>
Less: impairment allowance	(392,641)	(4,709)	(397,350)	(345,511)
<b>Total</b>	<b>1,536,798</b>	<b>111,355</b>	<b>1,615,524</b>	<b>1,413,364</b>

\*During the year the University transacted with Rivatex East Africa Limited which the University is a major shareholder. The reported amounts thus net off upon consolidation totalling to Ksh.32,629,000 .The amount has netted off in other trade receivables.

<b>Total Receivables</b>	<b>Kshs.1,648,153</b>
Less: Related Party Transactions	
	Moi Kshs.14,680
	Rivatex Kshs.17,949
<b>Consolidated Balance</b>	<b>Kshs. 1,615,524</b>

**( b) Ageing analysis for Receivables from exchange transactions**

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	460,044	30%	613,046	%
Between 1- 2 years	450,791	32%	525,913	30%
Between 2-3 years	17,053	10%	17,530	10%
Over 3 years	1,001,550	28%	438,261	25%
<b>Total (a+b)</b>	<b>1,929,438</b>	<b>100%</b>	<b>1,753,046</b>	<b>100%</b>

**(c) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions**

Impairment Allowance/ Provision	2022-2023	2021-2022
	Kes'000	Kes'000

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At the beginning of the year	345,511	322,000
Additional provisions during the year	47,130	22,000
At the end of the year	<b>392,641</b>	<b>345,511</b>

**(d) Rivatex receivables**

Description	2022-2023	2021-2022
	Kes'000	Kes'000
<b>Current receivables</b>		
Trade receivables	94,178	94,921
Prepayments	0	0
Utilities deposits	380	380
Other Receivables Rivatex	21,506	19,361
<b>Total Rivatex receivables</b>	<b>116,064</b>	<b>114,662</b>

**22. Receivables from Non-Exchange Transactions**

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Property tax debtors	-	-	-	-
Levies, fines, and penalties	-	-	-	-
Development Grants	11,544	-	-	-
Other debtors (non-exchange transactions)	1,335,689	-	1,335,689	-
Less: impairment allowance	-	-	-	-
<b>Total receivables from non- exchange transactions</b>	<b>1,347,233</b>	<b>-</b>	<b>1,335,689</b>	<b>-</b>
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>2022/2023</b>	<b>% of the total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Less than 1 year	11,544	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	1,335,689	100%	1,335,689	100%
<b>Total</b>	<b>1,347,233</b>	<b>100%</b>	<b>1,335,689</b>	<b>100%</b>

Description	2022/2023	2021/2022
	Kshs	Kshs
At the beginning of the year	1,335,689	1,335,689
Additional provisions during the year(Development grant)	11,544	-
Recovered during the year	-	-
Written off during the year	-	-
At the end of the year	<b>1,347,233</b>	<b>1,335,689</b>

The employers' Pension and Provident Fund contributions relating to Collective Bargaining Agreements relating to the periods 2010-2013 and 2013-2017 have not been funded. The amounts above relate to the amounts due to be received as a result of the CBAs and interest charged by the Pension and Provident Fund.

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**23. Inventories**

(a)

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Main	20,030		20,030	18,504
Catering	1,626		1,626	3,057
Rivatex inventories	-	481,388	481,388	545,710
Farm	261		261	435
Elimu Millers	-		-	-
MU Technologies	32,718		32,718	854
Less: allowance for impairment	-	-	-	-
<b>Total inventories at the lower of cost and net realizable value</b>	<b>54,636</b>	<b>481,388</b>	<b>536,023</b>	<b>568,560</b>

(b)

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
Biological Assets current	247		247	407
Biological assets(Bearer)	63,012	-	63,012	44,908
<b>Total</b>	<b>63,259</b>	<b>-</b>	<b>63,259</b>	<b>45,315</b>

\*Inventories are valued at lower of cost and replacement cost.

		Amounts	Amounts
i)Apple plantation	At the beginning	60,247,000	40,160,300
	Aggregate gain(loss)	-	-
	At the end of the year	60,247,000	40,160,300
<b>Apportinment</b>	Current	247,000	160,300
	Non-current	60,000,000	40,000,000
ii)Livestock	At the start of the year	4,908,833	
	Aggregate gain(loss)	( 1,897,000 )	
	At the end of the year	3,011,833	

\*The Biological Assets Comprise of 80 HA Plantation of apples values at 40,000,000 & Seedlings (Nursery) 20,000 pieces@ 1000 Total value 20,000,000. The livestock aggregate value Kes 3,011,833. Total Value Biological Assets **63,011,833**. Loss in biological Assets amounting to Ksh.1,897,000 has been recognised In the statement of financial performance.

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24. Shareholding in other entities

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		2022/2023	2021/2022
	%	%	%	Kshs	Kshs	Kshs
Rivatex EA Ltd	1000	-	-	1000	500,000	500,000,000
	<b>1000</b>	-	-	<b>1000</b>	<b>500,000</b>	<b>500,000,000</b>

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25. Property, Plant and Equipment

a) Moi University

Cost	Land	Buildings	W.I.P	Furniture plant and Equipment	Computers	Motor vehicles & Aero planes	Total
	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000
At 1st July 2021	547,715	3,902,752	1,404,941	543,460	419,493	413,820	7,232,182
Additions	-	-	62,200	31,752	8,293		102,245
Adjustments		148,143					148,143
At 30 June 2022	547,715	4,050,895	1,467,141	575,212	427,785	413,820	7,482,569
At 1st July 2022	547,715	4,050,895	1,467,141	575,212	427,786	413,820	7,482,569
Additions	-	-	154,954	13,454	5,016	-	173,424
Disposals						(1,600)	(1,600)
Transfer/ Adjustments							
At 30 June 2023	547,715	4,050,895	1,622,095	588,666	432,802	412,220	7,654,393
<b>Depreciation and Impairment</b>							
At 1st July 2021	11,947	1,127,225	-	370,219	373,667	232,283	2,115,342
Depreciation	-	56,473	-	16,646	8,784	13,774	95,677
Impairment	440	-	-	-	-	-	440
Transfer/ Adjustments							
At 30 June 2022	12,386	1,183,698	0	386,866	382,451	246,057	2,211,459
At 1st July 2022	12,386	1,183,698	0	386,866	382,451	246,057	2,211,459
Depreciation for the year	-	56,473	0	18,333	10,288	13,774	98,869
Disposal						(1,600)	(1,600)
Impairment	440	0	0	0	0	0	440
Transfer/ Adjustments							
At 30 June 2023	12,826	1,240,171	0	405,200	392,739	258,232	2,309,168
Net book values							

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At 30 June 2023	534,888	2,810,724	1,622,095	183,467	40,063	153,988	5,345,225
At 30 June 2022	535,328	2,719,055	1,467,141	187,808	45,335	167,762	5,122,430

b) Rivatex E.A.Ltd

Cost/Descriptions	Buildings	Buildings (WIP)	Plant & Equipment	Plant & Equipment (WIP)	Furniture & Fittings	Computers & Accessories	Office Equipment	Motor Vehicles	Total
	Kes'000'	Kes'000'	Kes'000'	Kes'000'	Kes'000'	Kes'000'	Kes'000'	Kes'000'	Kes'000'
As at 1 <sup>st</sup> July 2021	601,638	80,622	6,099,806	16,100	4,515	6,739	2,144	57,595	6,869,159
At 1 <sup>st</sup> July 2022	682,260	8,755	6,113,205	21,549	4,515	6,943	2,346	57,595	6,897,168
Transfers			4,332	(4,332)	-	-	-	-	-
Additions	16,212	34,570	62	14,761	-	234	1046	4,797	71,682
Disposals	-	-	-	-	-	-	-	-	-
At 30 June 2023	698,471	43,325	6,117,599	31,978	4,515	7,177	3,392	62,392	6,968,850
Depreciations									
At 1 <sup>st</sup> July 2022	66,105	-	585,572	-	3,193	6,931	2,107	55,336	719,244
Disposal/Obsolete	-	-	-	-	-	-	-	-	-
Charge for the year	17,462	-	152,940	-	564	11	424	3,271	174,672
As at 30 June 2023	83,567	-	738,513	-	3,758	6,942	2,531	58,607	893,918
Net book Values									

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As at 30 June 2023	614,904	43,325	5,379,087	31,978	757	235	861	3,785	6,074,932
As at 30 June 2022	616,154	8,755	5,527,632	21,549	1,321	11	239	2,259	6,177,922

\*Land has been treated as Right of use (Intangible asset) in Rivatex Financials

**c) Consolidated Financial Statements (Moi and Rivatex)**

	Land	Buildings	Capital W.I.P	Furniture, plant and equipment	Computers, printers and copiers	Motor vehicles and aeroplanes	Total
Cost	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000
As at 1 <sup>st</sup> July 2021	598,037	5,085,890	4,577,231	3,298,121	441,030	488,251	14,488,560
Additions – MU	-	-	62,200	31,752	8,293	-	102,245
Additions – Rivatex	-	80,622	(66,418)	13,399	405	-	28,008
Disposals	-	-	-	-	-	-	-
<b>As at 30<sup>th</sup> June 2022</b>	<b>598,037</b>	<b>5,166,512</b>	<b>4,573,013</b>	<b>3,343,272</b>	<b>449,728</b>	<b>488,251</b>	<b>14,618,813</b>
Additions – MU	-	-	154,954	13,454	5,016	-	173,424
Additions – Rivatex	-	16,212	49,331	62	1,280	4,797	71,682
Transfers	-	-	(4,333)	4,333	-	-	-
Disposals	-	-	-	-	-	(1,600)	(1,600)
<b>As at 30<sup>th</sup> June 2023</b>	<b>598,037</b>	<b>5,182,724</b>	<b>4,772,965</b>	<b>3,361,121</b>	<b>456,024</b>	<b>491,448</b>	<b>14,862,319</b>
<b>Depreciation and impairment</b>							
At 1 <sup>st</sup> July 2021	(42,288)	(1,155,207)	-	(1,007,593)	(396,105)	(288,066)	(2,889,259)
Depreciation - MU	(440)	(56,473)	-	(16,646)	(8,784)	(13,774)	(96,117)
Depreciation - Rivatex	(751)	(17,056)	-	(153,533)	(1,889)	(7,199)	(180,428)
<b>As at 30 June 2022</b>	<b>(43,479)</b>	<b>(1,228,736)</b>	<b>-</b>	<b>(1,177,772)</b>	<b>(406,778)</b>	<b>(309,039)</b>	<b>(3,165,804)</b>
Depreciation - MU	(440)	(56,473)	-	(18,333)	(10,288)	(13,774)	(99,308)
Disposal	-	-	-	-	-	(1,600)	(1,600)
Depreciation - Rivatex	(751)	(17,461)	-	(153,504)	(435)	(3,271)	(175,422)
<b>As at 30<sup>th</sup> June 2023</b>	<b>(44,670)</b>	<b>(1,302,670)</b>	<b>-</b>	<b>(1,349,609)</b>	<b>(417,501)</b>	<b>(327,684)</b>	<b>(3,442,134)</b>
<b>Net book values</b>							

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Cost	Land Kes'000	Buildings Kes'000	Capital W.I.P Kes'000	Furniture, plant and equipment Kes'000	Computers, printers and copiers Kes'000	Motor vehicles and aeroplanes Kes'000	Total Kes'000
As at 30 <sup>th</sup> June 2023	553,367	3,880,054	4,772,965	2,011,512	38,523	163,764	11,420,185
As at 30 <sup>th</sup> June 2022	554,558	3,755,933	4,573,013	2,235,140	42,950	179,212	11,241,574

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**Valuation**

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30<sup>th</sup> June 2020). These amounts were adopted on 2021.

**25 (b) Property, Plant and Equipment at Cost**

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>NBV</b>
	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'000</b>
Land	547,715	12,827	534,888
Buildings	4,050,895	1,240,171	2,810,724
Furniture, Plant And Machinery	588,777	405,200	183,467
Motor Vehicles, Including Motorcycles	412,220	258,232	153,988
Computers And Related Equipment	432,802	392,739	40,063
<b>Total</b>	<b>6,032,409</b>	<b>2,309,169</b>	<b>3,723,240</b>

Property plant and Equipment includes the following assets that are fully depreciated:

	<b>Cost or valuation-Moi Ksh'000</b>	<b>Normal annual depreciation charge</b>
Plant and Machinery	-	-
Motor Vehicles, including Motorcycles, Aeroplanes	139,822	139,822
Computers and Related Equipment	109,067	109,067
Office Equipment, Furniture And Fittings	6,858	6,858
<b>Total</b>	<b>255,747</b>	<b>255,747</b>

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**26. Intangible Assets**

Description	2022-2023	2022-2023	2022-2023	2021-2022
	Moi Univ Kes'000	Rivatex Kes'000	Consolidated Kes'000	Consolidated Kes'000
<b>Cost</b>				
<b>At beginning of the year</b>	15,955	39,056	15,955	55,011
Additions	3,989	-	3,989	-
<b>At end of the year</b>	<b>19,944</b>	<b>39,056</b>	<b>19,944</b>	<b>55,011</b>

\*Rivatex Intangible Asset is included in Consolidated PPE

**27. Trade and Other Payables**

Description	2022/2023		2021/2022	
	Kshs'000		Kshs'000	
*Trade payables	1,158,163		1,151,562	
Payments received in advance	-		4,375,287	
Employee payables	5,208,208		91,390	
Third-party payments	196,553		89,424	
Other payables	149,473		169,475	
<b>Total trade and other payables</b>	<b>6,712,397</b>		<b>5,860,063</b>	
<b>Ageing analysis: (Trade and other payables)</b>	<b>2022/2023</b>	<b>% of the Total</b>	<b>2021/2022</b>	<b>% of the Total</b>
Under one year	832,921	13%	481,922	8%
1-2 years	481,922	7%	278,388	4%
2-3 years	278,388	4%	10,440	1%
Over 3 years	5,119,166	76%	5,089,313	87%
<b>Total (tie to above total)</b>	<b>6,712,397</b>	<b>100%</b>	<b>5,860,063</b>	<b>100%</b>

*The major increase in accounts payable are on payroll related items such as pension, provident and employee bankloan deductions.*

*\*Trade payables comprise of Ksh. 70,906,000 due to Rivatex that have netted off upon consolidation*

**28. Current Provisions**

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Description	2022-2023Moi	Rivatex 2023	2022-2023	Consolidated 2022-2023	2021-2022
	Kshs'000	Kshs'000		Kes'000	Kshs'000
Audit Fees Payable	3,730		290	4,020	10,980

Notes to the Financial Statements (Continued)

30. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	2022-2023	2021-2022
	Kshs' 000	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Current Benefit Obligation	5,208,208	-	-	5,208,208	4,308,280
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total Employee Benefits Obligation</b>	<b>5,208,208</b>			<b>5,208,208</b>	<b>4,308,280</b>

31. Borrowings

Description	2022/2023	2021/2022
	Kshs	Kshs
<b>a) External borrowings</b>		
Balance at beginning of the year	-	-
External borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>
<b>b) Domestic borrowings</b>		

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Balance at beginning of the year	231,250	231,250
Domestic borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at end of the year</b>	<b>231,250</b>	<b>231,250</b>
<b>Balance at end of the period- domestic and External borrowings c = a+b</b>	<b>231,250</b>	<b>231,250</b>

The analyses of both external and domestic borrowings are as follows:

	2022/2023	2021/2022
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organisation'	-	-
Sterling Pound Denominated Loan From 'Y Organisation'	-	-
Euro Denominated Loan from Z Organisation'	-	-
<b>Domestic Borrowings</b>		
The National Treasury	231,250	231,250
Total Balance at End Of The Year	-	-
	-	-
	<b>231,250</b>	<b>231,250</b>

Description	2022/2023	2021/2023
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	231,250	231,250
<b>Total</b>	<b>231,250</b>	<b>231,250</b>

*(NB: the total of this statement should tie to note 44 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed). Borrowings should be measured at amortised cost as per IPSAS 41*

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

Description	2022-2023	2021-2022
	Kshs'000	Kshs'000
Short Term Borrowings (Current Portion)	-	-

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Long Term Borrowings	231,250	231,250
Total	<b>231,250</b>	<b>231,250</b>

**32. Cash Generated from Operations**

	2022-2023	2021-2022
	Kshs'000	Kshs'000
Surplus for the year before tax	(953,634)	(699,128)
<b>Adjusted for:</b>		
Depreciation	104,027	108,369
Non-cash grants received		-
Contributed assets		-
Impairment		-
Gains and losses on disposal of assets		-
Contribution to provisions	3,730	4,020
Contribution to impairment allowance	84,274	23,497
<b>Working capital adjustments</b>	<b>(761,003)</b>	<b>(563,241)</b>
Increase in inventory	96,859	74,094
Increase In Biological Assets	74,288	156,863
Increase in receivables	(329,604)	(201,606)
Increase in receivables	(11,544)	
Increase in Provision for doubtful debts	(9,986)	(23,497)
Increase in payables	574,338	415,642
Provision for audit fees	(3,730)	(4,020)
<b>Net cash flow from operating activities</b>	<b>(370,382)</b>	<b>(145,765)</b>

**33. Financial Risk Management**

The University's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The University's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable

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levels of risk. The University does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The University's financial risk management objectives and policies are detailed below:

**i) Credit risk**

The University has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the University's management based on prior experience and their assessment of the current economic environment.

**Financial Risk Management**

The carrying amount of financial assets recorded in the financial statements representing the University's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

:

	Total amount	Fully performing	Past due	Impaired
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
<b>As at 30 June 2023</b>				
Receivables from exchange transactions	1,929,438	1,536,797	-	392,641
Receivables from non-exchange transactions	1,347,233	11,544	1,335,689	-
Bank balances	585,483	585,483	-	-
<b>Total</b>	<b>3,638,056</b>	<b>2,133,824</b>	<b>1,335,689</b>	<b>392,641</b>
<b>As at 30 June 2022</b>				
Receivables from exchange transactions	1,675,374	911,572	763,802	340,765
Receivables from non-exchange transactions	1,335,689	-	1,335,689	-
Bank balances	942,073	942,073	-	-
<b>Total</b>	<b>3,953,136</b>	<b>1,853,645</b>	<b>2,099,491</b>	<b>340,765</b>

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The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the University has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The Council sets the University's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

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**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**Financial Risk Management**

**(ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the University's Council, who have built an appropriate liquidity risk management framework for the management of the University's short, medium and long-term funding and liquidity management requirements. The University manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the University under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	<b>Less than 1 month</b>	<b>Between 1-3 months</b>	<b>Over 5 months</b>	<b>Total</b>
	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'0000</b>	<b>Kshs'000</b>
<b>As at 30 June 2023</b>				
Trade payables	-	-	6,601	6,601
Current portion of borrowings	-	-	-	-
Provisions	-	-	3,730	3,730
Deferred income	-	-	-	-
Employee benefit obligation	58,327	174,982	699,928	699,928
<b>Total</b>	<b>58,327</b>	<b>174,982</b>	<b>710,259</b>	<b>710,259</b>

**(iii) Market risk**

The University has put in place an internal audit function to assist it in assessing the risk faced by the University on an on-going basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the University's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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**Financial Risk Management**

The University's Risk Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the University's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The University has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The university manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

The carrying amount of the University foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

**FY 2023**

	<b>In Kshs</b>	<b>Other currencies</b>	<b>Total</b>
	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'000</b>
<b>As At 30 June 2023</b>			
<b>Financial Assets</b>	-	-	-
Investments	-	-	-
Cash	390,161	195,322	585,483
Debtors	1,536,798	-	1,536,798
<b>Total Financial Assets</b>	<b>1,926,959</b>	<b>195,322</b>	<b>2,122,281</b>
<b>Financial Liabilities</b>			
Trade And Other Payables	6,712,398	-	6,712,398
Borrowings	231,150	-	231,150
<b>Total Financial Liabilities</b>	<b>6,943,548</b>	<b>-</b>	<b>6,943,548</b>
<b>Net Foreign Currency Asset/(Liability)</b>	<b>(5,016,589)</b>	<b>195,322</b>	<b>(4,821,267)</b>

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**Financial Risk Management**

**Foreign currency sensitivity analysis**

**FY 2023**

	In Kshs	Other currencies	Total
	Kshs'000	Kshs'000	Kshs'000
<b>As At 30 June 2023</b>			
<b>Financial Assets</b>			
Investments	-	-	-
Cash	390,161	195,322	585,483
Debtors	1,536,798	-	1,536,798
<b>Total Financial Assets</b>	<b>1,926,959</b>	<b>195,322</b>	<b>2,122,281</b>
<b>Financial Liabilities</b>			
Trade And Other Payables	6,712,398	-	6,712,398
Borrowings	231,150	-	231,150
<b>Total Financial Liabilities</b>	<b>6,943,548</b>	<b>-</b>	<b>6,943,548</b>
<b>Net Foreign Currency Asset/(Liability)</b>	<b>(5,016,589)</b>	<b>195,322</b>	<b>(4,821,267)</b>

The following table demonstrates the effect on the University's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs'000	Kshs'000	Kshs'000
<b>2023</b>			
Euro	10%	-	(5,337)
USD	10%	-	(14,159)
<b>2022</b>			
Euro	10%	-	(9,160)
USD	10%	-	(23,276)

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**b) Interest rate risk**

Interest rate risk is the risk that the University's financial condition may be adversely affected as a result of changes in interest rate levels. The University's interest rate risk arises from bank deposits. This exposes the University to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the University's deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

**Sensitivity analysis**

The University analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant.

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *University* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The University considers relevant and observable market prices in its valuations where possible.

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**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

**iv). Capital Risk Management**

The objective of the University's capital risk management is to safeguard the University's ability to continue as a going concern. The University capital structure comprises of the following funds:

	2022-2023 Moi Kes'000	2022-2023 Consolidated Kes'000	2021-2022 Kes'000
Revaluation reserve	-	73,653	73,653
Retained earnings	(2,766,685)	(5,808,157)	(4,618,443)
Capital reserve	4,726,313	14,294,070	14,085,364
<b>Total funds</b>	<b>1,959,628</b>	<b>8,559,566</b>	<b>9,540,574</b>
Total payables	6,712,398	6,853,532	5,860,063
Less: cash and bank balances	(549,602)	(585,483)	(942,073)
Net debt	6,162,796	6,268,049	4,917,990
<b>Gearing</b>	<b>84%</b>	<b>72%</b>	<b>52%</b>

**34. Related Party Disclosures**

**Nature of related party relationships**

Entities and other parties related to the University include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

**Government of Kenya**

The Government of Kenya is the principal shareholder of the University, holding 100% of the University's equity interest.

**Other related parties include:**

- i) The Parent Ministry
- ii) University Council Members
- iii) University Senior Management
- iv) Rivatex East Africa Limited

**Related Party Disclosures**

- i) Key management;
- ii) Board of directors

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**Notes to the Financial Statements (Continued)**

	2022-2023 Moi Kes'000	2022-2023 Rivatex Kes'000	2022-2023 Consolidated	2021-2022 Kes'000
<b>Transactions with related parties</b>				
<b>a) Grants from National Government</b>				
Grants from National Government	4,275,877	102,222	4,378,099	4,367,513
<b>Total</b>	<b>4,275,877</b>			<b>4,367,513</b>
<b>b) Transfers to related party</b>				
Transfer of capital development grants to Moi University	31,544	-	31,544	30,000
Transfer of capital development grants to Rivatex E.A Ltd	244,139		244,139	195,166
<b>c) Key management compensation</b>				
Council members expenses				33,657
Compensation to key management				97,061
<b>Total</b>	<b>4,551,560</b>	<b>102,223</b>	<b>4,653,782</b>	<b>130,718</b>

**35. Events after the Reporting Period**

There were no material adjusting and non- adjusting events after the reporting period.

**36. Ultimate And Holding University**

The University is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

**37. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

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**19. APPENDIX**

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Presentation and Disclosure in the Financial Statements	<p>The financial statements have now been titled correctly as "Moi University Consolidated Report and Financial statements 'to depict its Consolidation with the books of the subsidiary Rivatex East Africa Ltd We have now numbered and ensured there's consistency in the table of contents both in fonts and bolding. We have also ensured the page numbering and referencing is correct.</p> <p>The statement of changes in net assets has now been prepared as per the approved template showing the adjustment of capital depreciation. Cash and cash equivalents both for Moi University and Rivatex E.A.Ltd in the statement of financial position and cashflow are now in agreement as per the</p>	<p>Resolved</p> <p>Resolved</p>	<p>N/A</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		revised financial statements.		
2.	Use of Goods	<p>2.1 The amount of Kes.12,746,447 were accrued invoices which were later paid in the financial year under review thus no need to include them in the payables figure in the financial statements. The accrual basis requires that we recognise an expense when an invoice is received but not when paid. We have attached the payment vouchers and the paid invoices</p> <p>2.2 The auditor's observation has been noted and the expenditure classified accordingly .The changes will be reflected in the revised financial statements.</p> <p>2.3 The imprest surrenders relate to supervision of students on teaching practice. The budget for the excise did not provide for transport but subsistence allowances only which has been accounted for. The lecturers make their own arrangements to</p>	<p>Resolved</p> <p>Resolved</p> <p>Resolved</p>	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		ensure the students are supervised. 2.4 We have provided the soft copy of all students allocated to the university 2.5 The accrued legal fee invoices are included in the payables as per the attached vendor schedules		
3.	Employee costs	3.1 During the year under review gratuity and retirement benefits were budgeted and expensed as per auditors' observation but not remitted due to the cash crunch faced by the university and the reduced funding by the exchequer. On that note therefore there were no payments made to the University Pension Scheme 3.2 The ledgers for unfunded pension fund and provident provided for audit review 3.3 The university incurred casual wages amounting to	Resolved	NA

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>Kes.166,535,803.93 in the year under review as per the attached details and not Kes.262,187,181as per auditor's observation. The auditors seem to have picked the wrong figure for the month of August thus overstating the total amount.</p> <p>The amount has been budgeted for in the university budget as a line item and covered under Basic pay costs in the financial statements thus the amount has been disclosed in the financial statements.</p> <p>The statutory deductions were paid and hereby provided for audit review</p> <p>The minutes on their on how they were engaged are hereby provided for your review</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>Details relating to the casuals bio data and payment advice to the banks paying the net pay are hereby provided for audit review</p> <p>3.4 The University has already started the process of filling the positions where staff are in acting positions. The positions have been advertised both internally and externally. Copies of the advertisements are attached for your reference.</p> <p>The Government, through Circulars, provides guidelines to Government institutions and Semi-Autonomous Government Agencies (SAGAs) on the recruitment and filling of vacant positions. Generally, there has been a restriction on the staff hiring due to financial constraints. For example, Treasury Circular No. 02/2016 gave policy guidelines on recruitment of staff, adjustments and upgrading of staff by State Corporations and Semi-Autonomous Government Agencies (SAGAs). The circular put a general freeze on</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>employment except in core and key positions where approval must be granted prior to the recruitment.</p> <p>3.5 The increase in payroll costs was not only because of CBA arrears but also promotions and the diagonal implementation of CBA which was done for a period of six months during the year under review.</p>		
4.	Unconfirmed Non Current Assets	<p>a. A statement showing the loss or gain and reconciliation of the changes is hereby provided for audit review</p> <p>The balance reflected in the draft financial statements is the total amount invoiced and paid to the vendor .Due to delay in implementation the total amount is yet to</p>	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>be invoiced thus the intangible asset is not understated.</p> <p>The intangible asset after full implementation and payment will be amortized as guided by IPSAS 31' The accounting for an intangible asset is to record the asset as a long-term asset and amortize the asset over its useful life, along with regular impairment reviews'</p> <p>The ERP is yet to be commissioned since it's yet to be fully implemented.</p> <p>1.1 The ERP was tendered in 2017/18 but acquired and implemented in 2019/2020 with the finance module being the first to be implemented. Its</p>	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>implementation was delayed by the effect of Covid -19 which adversely affected the University operations in the financial years 2019/20 -2021/22. But with full resumption of university operations in the current financial year the remaining modules will be fully implemented within the stipulated time</p> <p><b>4.3.1</b> The parcels of land were not omitted in the financial statements but they have been classified in buildings since when then University was purchasing the land was already developed. Going forward a revaluation will be done to ascertain their respective valuations.</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>4.3.2 The supporting schedule, contract, payee, certificate of work done and payment vouchers are hereby provided for audit review. During the year under review there were no capital project that were 100% complete as per <b>Appendix iii</b> of the draft financial statements</p> <p>4.3.3 The disposal account is hereby provided for audit review</p>	<p>Resolved</p> <p>Resolved</p>	
5.	Receivables From Non Exchange Transactions	<p>a. We have provided list of student invoices and receipts for the period under review for audit verification</p> <p>b. Student's fee invoices are always done upon registration of courses after meeting the</p>	<p>Resolved</p> <p>Resolved</p>	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>requisite requirement of payment of 20% fees by students as per the respective fee structure of the course offered to the student. The statement of the student mentioned has been printed and there's no such entry. Thus the observation by the auditor might have been an oversight. Attached herewith is a copy of the student statement</p>		
6.	Borrowing of GOK Loan	<p>6.1 According to Clause V (3.2) of the Loan Agreement between the Government and Moi University, the Government must give consent in writing to transfer/assign the outstanding loan.</p> <p>The two institutions initially wrote on 25th</p>	Not Resolved	June 2024

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>May 2016 seeking the consent as provided for in the loan agreement following the signing of the handing/taking over of assets and liabilities. The two institutions were also seeking segregated loan schedules indicating the amount payable by each institution to facilitate the repayment of respective loan balances.</p> <p>The non-repayment of the loan has therefore been occasioned by the delay in receiving the above documents. However, we have since received the draft contract from the National Treasury that now allocated the loan amongst Moi University and Karatina University. We have signed the segregated contract and remitted back to the National Treasury, who have submitted it to the office of the Attorney General. We are following up so that we receive the fully signed Subsidiary</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>Loan Agreement and consent to transfer the portion of the loan belonging to Karatina University.</p> <p>Upon receipt of the segregated loan schedule, the University will duly and fully service its portion of the loan amounting to Kshs 41,376,244 as per the signed handing/taking over between Moi University and Karatina University.</p> <p>The University paid Kenya Tea Development Authority (KTDA) Kshs 169,570,240 (inclusive of legal fees) towards acquisition of the property. In addition, the University paid Kshs 29,862,000 towards licence fees and moveable property. The amounts were paid in 2009 and 2010 as indicated in the sale agreement (a copy of which was provided to the audit team at the time).</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
		<p>The Attorney General and the National Treasury have now given consent for transfer of the loan as per the signed agreements between Moi University and Karatina University. The University has already signed the Subsidiary Loan Agreement, pursuant to this consent. A copy of this agreement is hereby attached for your perusal.</p> <p>The University will hence repay its portion of the loan for ten years, commencing December 2022.</p> <p>a.</p>		
7.	General Trade Supplies	We have provided the vendor ledger control accounts for the sampled vendors and credit policy for audit review	Resolved	N/A
8.	Budgetary Control Performance	The first three items highlighted by the auditor are payroll related costs ,which generally are within the budget hence no overspent	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		The rest of the items are income which generally under performed during		

  
 .....

Vice Chancellor  
 Date... 13/12/2024 .....

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**Appendix II: Projects implemented during the period**

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Government commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Construction of Library - Annex		GoK	June 2021	-	-	Yes
Construction of PDN-Phase II		GoK	Nov. 2024	30,000	-	Yes
Construction of 2250 Hostels- Wing C		GoK	Nov. 2023	-	-	Yes
Construction of Sewer Line		GoK	June 2023	-	-	Yes
Renovation of Hostel J		GoK	June 2024	-	-	Yes
Construction of School of Science		GoK	Dec. 2028	-	-	Yes

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Status of Projects completion

No	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Construction of Library - Annex	300,000	134,270	100%	-	126,236	GoK
2	Construction of PDN-Phase II	600,000	82,022	60%	-	78,040	GoK
3	Construction of 2250 Hostels- Wing C	150,000	74,031	94%	-	60,308	GoK
4	Construction of Sewer Line	255,000	104,647	100%	-	96,564	GoK
5	Renovation of Hostel J	150,000	33,069	100%	-	30,178	GoK
6	Construction of School of Science	4,200,000	1,058	5%	-	1,058	GoK
7	500No. Lecture Hall	11,395	9,546	93%	-	9,546	A.I.A
8	Amphitheatre	600,000	170,527	39%	-	160,391	GoK
9	Digital Information Centre	350,000	20,255	14%	-	20,255	AIA
10	ACE II PTRE	88,000	28,363	15%	-	19,884	World Bank
11	New gate	26,000	11,220	75%	-	11,220	AIA

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**Appendix IV: Transfers from Other Government Entities**

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount – Kes'000	Statement of Financial Performance Kes'000	Where Recorded/recognized				Total Transfers during the Year Kes'000
					Capital Fund Kes'000	Deferred Income Kes'000	Receivables Kes'000	Others - must be specific	
Ministry of Education		Recurrent	3,438,280	3,438,280	-	-	-	-	3,438,280
		Development	-	-	20,000	-	-	-	20,000
USAID		Donor Fund	813,541	813,541	-	-	-	-	813,541
		ACEII	24,054	24,054	-	-	-	-	24,054
Ministry of Industrialization		Recurrent	102,223	102,223	-	-	-	-	102,223
		Development	244,139		244,139	-	-	-	244,139
<b>Total</b>			<b>4,622,237</b>	<b>4,378,098</b>	<b>264,139</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,642,237</b>

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Appendix V- Inter-University Confirmation Letter

Confirmation of amounts received by Moi University as at 30 <sup>th</sup> June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30 <sup>th</sup> June 2023				Amount Received by (KShs) as at 30 <sup>th</sup> June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
FT2221506QCL	03/08/2022	286,523,384	-	-	286,523,384	285,351,880	-
FT222515KNXV	08/09/2022	286,523,384	-	-	286,523,384	285,351,880	-
FT22276CHKQY	30/09/2022	286,523,382	-	-	286,523,382	285,351,880	-
FT22273XLDFM	30/09/2022	-	20,000,000	-	20,000,000	20,000,000	-
FT22314STD4Q	11/11/2022	286,523,384	-	-	286,523,384	286,523,384	-
FT223431NKTB	09/12/2022	286,523,384	-	-	286,523,384	286,523,384	-
FT22364V6508	30/12/2022	286,523,382	-	-	286,523,382	286,523,382	-
FT23034ZCBCK	03/02/2023	286,523,382	-	-	286,523,382	286,523,382	-
FT2307628V2Y	17/03/2023	286,523,382	-	-	286,523,382	286,523,382	-
FT23104QJS2	14/04/2023	286,523,382	-	-	286,523,382	286,523,382	-

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FT23125LBF5W	05/05/2023	286,523,382	-	-	286,523,382	285,351,880	-
FT23160MB6LV	09/06/2023	286,523,382	-	-	286,523,382	294,607,220	-
FT23178KZGQ	27/06/2023	286,523,382	-	-	286,523,382	294,607,222	-
	28/04/2023	24,054,645			24,054,645	24,054,645	
<b>Total</b>		<b>3,462,335,248</b>	<b>20,000,000</b>	<b>-</b>	<b>3,482,355,248</b>	<b>3,482,335,248</b>	<b>-</b>

In confirm that the amounts shown above are correct as of the date indicated.

Ag: Chief Finance Officer

Name Figla C. Samoei Sign [Signature] Date 13/2/2024

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Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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**Appendix VII: Reporting on Disaster Management Expenditure**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

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Appendix.. Bank Account Balances

BANK NAME	ACCOUNT No.	TITLE OF ACCOUNT	Amount
Operations Accounts	003-1253799	Operations & Maintenance	209,262.70
	003-1083478	Income Generating Account	4,009,312.00
	003-1065674	Research Account	22,863,126.89
ABSA BANK	2029723030	PIRE Account	545,095.35
	2029437117	Linkoping Account	22,920.90
			27,649,717.84
			44,142.00
	1021027998400	Moi University Staff Housing Scheme	2,730.73
	1021027998900	Moi University Bookshop	2,885,551.57
	1021027999600	Moi University Deposit	412,544.00
	1021027999700	Moi University Payment	42,581,602.34
	1021027999800	Moi University Capital Development	806,651.35
	1020062998800	Moi University Eatery & Guest House	42,743.90
	2020062982100	Moi University Confucious (Dollar)	6,395.73
	1020098111000	Moi University Elimu Millers '(C)	30,475.99
	1282098111000	Moi University Elimu Millers '(S)	29,190.65
	1020112066100	MU School of Nursing	152,502.65
1020112084300	MU School of Law	259,088.85	
1020112084400	MU School of Agriculture & Natural Resources	140,028.55	
1020112084500	MU School of Education	788,730.85	
1020112084600	MU School of Biological and Physical Sciences	88,809.30	
1020112084700	MU School of Arts & Social Sciences	97,383.90	
1020112084800	MU School of Tourism, Hospitality & Events Management	111,714.65	
1020112084900	MU School of Human Resource Development	1,004,831.85	
1020112085000	MU School of Information Sciences	140,727.70	
1020112085200	MU School of Aerospace Sciences		

NATIONAL BANK

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1020112085300	MU School of Engineering	422,239.75
1020112085700	MU School of Business & Economics	460,887.15
1020112085900	MU School of Medicine	310,315.70
1020112086300	MU School of Dentistry	7,202.45
1020112087700	MU School of Public Health	713,724.30
1020014461200	Nairobi Campus	1,482,879.32
102009811000	Mombasa Campus	70,282.85
1021029582000	Moi University GSSP	2,810,335.48
1020062991100	Moi University PSSP Collection Account	3,932,226.84
1020062992200	Moi University PSSP Payment Account	2,395,574.32
1021027999200	Moi University Research	7,093,825.73
1021028784800	Moi University VLJR	8,055,093.49
3021028784800	Moi University VLJR/EURO	43,026,539.68
		<b>120,406,973.62</b>
1101692235	Moi University Endowment Fund	6,620,834.75
1102483567	Moi University Farm Account Main	147,919.84
1102485691	Moi University Main Account	442,948.00
1102486558	Moi University Students Accommodation	676,911.85
1107753481	Moi University PSSP Payment A/C-Corporate	1,674.22
	Kisale Campus	2,411,780.20
1102488690	Moi University Evening Studies Pro.	3,472,159.60
1107758580	Moi University PSSP	2,121,852.58
1102490296	Moi University GSSP	164,534.00
1202447163	Moi University - ACE II World Bank Project	219,141,281.00
1280216247	Moi University-ACCE Project	10,232,374.00
1197817662	Moi University DLP (KSH)	17,198.00
1254915494	Moi University DLP (USD)	141,908,358.37
		<b>387,359,826.41</b>
<b>KENYA COMMERCIAL BANK</b>		

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STANDARD BANK	102017899500	Moi University GSSP	154,162.45
	102017899600	Moi University PSSP	154,618.85
COOPERATIVE BANK	1129046897100	Moi University GSSP	308,781.30
	1129046897300	Moi University PSSP	59,171.00
	1134517252500	Odero Akang'o Camus	2,229,887.87
	1128046350700	MU CHS Global Fund TB Round 9	191.98
	1128046350701	Global Fund Round 10 Malaria	-
EQUITY BANK	300291768839	Moi University GSSP	79,225.50
	300291768844	Moi University PSSP	42,609.29
MPESA	883181	MU Accommodation Fees	121,834.79
	883182	MU GSSP Fees	-
	883183	MU Application Fees	12,798.00
	883184	MU Graduation Fees	9,000.00
	883185	MU PSSP Fees	-
	536046	MU Car Park	-
	7017418	MU MUSACS	-
	7017456	MU Eatery	-
	7017458	MU MTL IGU	-
	1017504	CHS-IGU	-
	7018110	MU Farm	-
	7019142	MU Elimu Millers	-
7019144	CHS-OPS	-	
	USAID		21,798

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	69080001	M.U. CERM-ERSA Project - EURO(S)	865,606.00
	69080002	M.U. CERM-ERSA Project - EURO - C	6,589,241.23
	69080003	M.U. CERM-ERSA Project - (KSHS)	1,035,932.00
ACCESS BANK	69151001	M.U. ASALI Project-Kshs. Account	63,943.00
	69151002	M.U. ASALI Project-EURO Account	2,889,309.20
			<b>11,444,031.43</b>
<b>Grand Total</b>			<b>549,602,214</b>