



# **TAITA TAVETA UNIVERSITY COLLEGE**

(A Constituent College of Jomo Kenyatta University of Agriculture and Technology)

## **REPORT OF THE AUDITOR-GENERAL**

**On  
The Financial Statements  
For The Year Ended  
30 June 2013**

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**TAITA TAVETA UNIVERSITY COLLEGE**

**Annual Report and Financial Statements**

**For the Year ended 30 June 2013**

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## GENERAL INFORMATION

### 1. OWNERSHIP AND STRUCTURE

The Institution is 100% owned by the Government of Kenya  
Ministry of Education, Science and Technology

### 2. ADDRESS

Taita Taveta University College

Head Office

P. O. Box 635 – 80300

Voi

Tel: 020-2437266

### 3. BANKERS

Kenya Commercial Bank

Voi Branch

P.O. Box 137-80300

Voi

Equity Bank

Voi Branch

P.O. Box 325 - 80300

Voi

### 4. AUDITOR

Auditor General

Anniversary Towers

P.O BOX 30084 – 00100

NAIROBI



### VISION STATEMENT

To be a premier institution in education, training, research, innovation and community outreach for sustainable development

### MISSION STATEMENT

To produce leaders and professionals in engineering, science and entrepreneurship through knowledge creation, dissemination and application for socio-economic development

### CORE VALUES

- a) **Result oriented** - Budgeting and planning is geared toward achieving desired objectives.
- b) **Quality** - All work is done to ensure products of the highest quality are achieved
- c) **Transparency and Accountability** - All dealings should be open and accountable to stakeholders
- d) **Innovativeness** - In the face of many challenges, innovation is championed to ensure set targets are achieved.
- e) **Professionalism and ethical conduct** - Staff are required to uphold the highest professional and ethical standards in their assignments



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**MEMBERS OF TAITA TAVETA UNIVERSITY COLLEGE COUNCIL****CHAIRMAN:**

Professor (Mrs) Lucia Omondi, EBS

**MEMBERS**

Mr Adiel Gitari

Ms Jane Kimbwarata

Dr Moses Chesang Kiptui

Mr Hamid Morowa

Dr Morompi Ole Ronkei

Prof Mabel O. Imbuga - Vice Chancellor, JKUAT

Mr Wallace Nyakundi - Representative of P.S.-Education, Science and Technology

Mr Geoffrey Kibanda - Representative of the P.S. - National Treasury

Mrs Agriphine Njoroge - Inspectorate of State Corporations

Prof Hamadi Iddi Boga - Principal

**OFFICERS OF THE UNIVERSITY COLLEGE**

Prof Fred Simiyu Barasa - Deputy, Principal (Administration, Finance and Planning)

Prof Christine Onyango - Deputy Principal (Academic, Research and Outreach)

Dr Kiptanui Arap Too - Registrar (Academic, Research and Outreach)

Mr Habib Mruttu - Ag. Registrar (Administration, Finance and Planning)

Mrs Rosaly Wachira O. - Ag. Finance Officer

Mr Athman Chembea - H.o.D. Estate Manager

Mrs Fatma Shibe - H.o.D. Procurement Officer

Mr Dishon Mngonda - Ag. Dean Of students

Mr Fred Odera - Ag. ICT Manager

**PRINCIPAL ACTIVITIES**

The Institution's main activity is offering Higher Education.





## CHAIRMAN'S REPORT

### Overview

Taita Taveta University College (TTUC) was elevated to a Constituent College of Jomo Kenyatta University of Agriculture and Technology on 18<sup>th</sup> October, 2011 via legal notice Number 156. Since then, and particularly over the financial year 2012/2013, the University College Council, Management, staff and students have collectively embarked on a transformative journey aimed at positioning TTUC as a strategic player in national and regional development, and a Centre of Excellence in Mining and Mineral Processing. Conscious of our mandate and guided by our motto of "Home of Ideas", we have endeavoured and shall endeavour to ensure not only prudent management of resources at our disposal but also the highest quality of service delivery to our clients and all stakeholders. Strict financial discipline, focused execution of the management agenda and resolute pursuit of robust strategies have guided us in this endeavour.

This is the inaugural annual report and financial statements for TTUC which received direct government capitation for the first time in the financial year 2012/2013. The resources received have been instrumental in facilitating capital development projects in relation to enhancing water supply through construction of a water tank and expansion of office and classroom space through construction of an administration and classroom block. Moreover, it was through these resources that the University College has been able to enhance human resource capacity through staff recruitment and training, deliver academic programmes prudently, maintain and secure university assets, improve its planning and policy portfolio and creatively manage both student and staff welfare services.

However, despite the significant progress made towards the realization of our mission and strategic objectives, the University College still faces many challenges, largely attributed to increasing student numbers as well as spiralling public demands and expectations at both county and national levels, against inadequate and even declining financial resources. Critical among these challenges is the need to significantly increase staffing levels, expand office, classroom, and laboratory and workshop space. The College also needs to expand and diversify academic programmes in already identified niche areas, improve research capacity and output, and strengthen community outreach programmes.

The University College developed its Strategic Plan 2013 – 2018 which targets to increase access to University education while maintaining high quality. The elevation of TTUC to a Constituent College and the subsequent transfer of Asset Management by JKUAT to TTUC, as well as the cost control measures implemented overtime have delivered significant results. As the College Council, we commit to continuous improvement in the governance and management of TTUC.

Sincerely,

Prof Lucia Omondi PhD, EBS

**CHAIRMAN OF THE UNIVERSITY COUNCIL**

**STATEMENT OF CORPORATE GOVERNANCE****RESPONSIBILITY OF THE COUNCIL**

Taita Taveta University College is required to prepare financial statements, which give a true and fair view of the state of affairs of the College as at the end financial year, and of its surplus or deficit for the year.

The University College is required to ensure that proper accounting records that disclose, with reasonable accuracy, at any time the financial position of the University College, are maintained.

The Council is also responsible for safeguarding the assets of the University College.

The Council accepts responsibility of annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards.

The Council is of the opinion that the financial statements give a true and fair view of the state of financial affairs of the University College as at 30 June 2013 and its surplus for the year that ended. The Council further confirms the accuracy and completeness of the accounting records maintained by the University College, which may be relied upon in the presentation of the financial statements, as well as on the accuracy of the systems of internal controls.

Nothing has come to the attention of the Council to indicate that the University College will not remain a going concern for at least twelve months from the date of this statement. The Council thanks the Staff for their dedication and hard work in the last financial year.

The statement is approved by the University Council and signed by/or on its behalf:

Prof Hamadi Iddi Boga

**Principal, Taita Taveta University College**



## **FUNCTIONS OF THE COUNCIL**

The Council exercises prudent leadership, innovative enterprise, and good judgment in directing the University and always chartering it in the best interest of the University.

The Council performs the following key duties and have the following powers – subject to the provisions of the Act and after consultation with the Senate, to make regulations;

- a) to make and approve Statutes for gazettelement in accordance with the Act;
- b) to determine the method of recruitment, appointment and promotion of all staff of the University;
- c) to appoint and determine the terms and conditions of service for all staff of the University;
- d) to confer after receiving a report from the College Management Board the title of Emeritus Professor, Visiting Professors, Honorary Professor, Honorary Lecturer or Honorary Fellow;
- e) to approve the budget;
- f) to promote and to make financial provisions and facilities for execution of the functions of the University;
- g) to determine, after considering the recommendations of the Senate College Management Board, all fees payable to the University;
- h) to approve the investment of any money belonging to the University including any unutilized income, in such stocks, funds, fully paid shares or securities as Council may from time to time deem fit, in accordance with the general law for the investment of trust moneys or in the purchase of freehold or leasehold properties, including rents and subject to the Act with the powers of varying such investment from time to time by sale or re-investment or otherwise;
- i) subject to the laid down government procedures to approve sale, purchase, exchange, lease, or take on, lease movable and immovable properties on behalf of the University;
- j) subject to the laid down government procedures, to approve the borrowing of money on behalf of the University; and for that purpose and subject to the Act, to mortgage or charge all or any part of the property unless the conditions of the property so held provide otherwise, and to give such other security whether upon movable and immovable property or otherwise as the Council may deem fit;
- k) On the recommendation of the College Management Board to provide in accordance with the Statutes, among others.

**COUNCIL MEMBERS**

The Council members are responsible for the governance of the University College. During the financial year 2012/2013, the Council had three committees; (i) the Finance and General Purpose Committee, (ii) the Audit Committee and (iii) The Human Resource and Development Committee. The tables below give the membership of the committees.

**1. Finance and General purpose Committee**

<b>Members</b>	
1. Ms Jane Kimbwarata	Chairman
2. Dr Moses Chesang Kiptui	Member
3. Dr Morompi Ole Ronkei	Member
4. Representing PS MOEST -Mr Wallace Nyakundi	Member
5. Representing PS The National Treasury-Mr Geoffrey Kibanda	Member

**2. Audit Committee**

<b>Members</b>	
1. Mr Adiel Gitari	Chairman
2. Dr Moses Chesang Kiptui	Member
3. Hamid Morowa	Member
4. Representing PS MOEST -Mr Wallace Nyakundi	Member
5. Representing PS the National Treasury-Mr Geoffrey Kibanda	Member

**3. Human Resource Committee**

<b>Human Resource Committee</b>	
1. Mr Hamid Morowa	Chairman
2. Ms Jane Kimbwarata	Member
3. Prof Mabel Imbuga - Vice Chancellor (Ex - Officio)	Member
4. Representing PS MOEST -Mr Wallace Nyakundi	Member
5. Representing PS The National Treasury-Mr Geoffrey Kibanda	Member
6. Prof Hamadi Boga - Principal (Ex - Officio)	Member



## **PRINCIPALS REPORT FOR THE FINACIAL YEAR ENDED 30 JUNE 2013**

### **Introduction and Financial Performance**

During the Financial Year 2012/2013, the University College was allocated a recurrent budget of Kshs 204,600,000 and a Capital Grant of Kshs 75,000,000 respectively by the Government. The University College recorded a surplus of Ksh.8, 886,267 in the last financial year despite having various challenges, due to prudent financial management.

The principal exceptional item is Kshs 360,142,877.00 being the value of net capital Assets transferred to TTUC by JKUAT.

### **Achievements**

#### **1. Strategic Plan**

During the period the University College developed the Strategic Plan for the period 2013-2017. The Strategic Plan is in line with the Constitution of Kenya 2010, the Vision 2030 and the Millennium Development Goals.

The implementation of the five year plan requires an estimated budget of Kshs 3.2 billion spread over the five years.

The forecasted risk in actualization of the Strategic Plan is the underfunding and delayed disbursement. The University College will therefore seek extra ways of generating funding which include but not limited to establishment of Campuses, as a way of mitigating the risks.

#### **2. Infrastructure**

The University College was able to rehabilitate the staff houses, so that they could be used to accommodate students. The University College also signed an Asset Finance with KCB to purchase vehicles, equip the computer laboratory and the Engineering workshops. The University College also started the Construction of an Administration/Classroom Block and a 4.5 million litre Water Tank.

#### **3. Staffing**

The University College also has been able to recruit 105 staff members both Academic and Administrative

#### **4. Challenges**

Taita Taveta University College was categorized together with the New University Colleges despite having been in existence for prior 5 years as a Campus of JKUAT and had already a student population of 1,500. The funding therefore was not sufficient to enable the College to engage in all planned activities especially the recruitment of Academic staff and expansion of programmes.



Capital funding for universities is still low and is not released in time to enable the College to complete projects as planned. The College will therefore have to find innovative ways to fund more capital investments.

#### **Looking forward**

The changing landscape of higher education in Kenya has created both opportunities and challenges for TTUC. Among the Challenges is competition between the Many Universities established. However, increased student numbers seeking University places present a major opportunity. TTUC will therefore need to develop strategies to position herself as a University offering quality education in a conducive environment.

#### **Risk Management**

TTUC has developed a process for identifying and monitoring those risks that pose the greatest threat to the achievement of its academic objectives. Controls and actions are identified to mitigate the risk and an assessment is made of impact and likelihood, both residual and inherent.

The University College has engaged the Ministry of Education Science and Technology (MOEST) and the National Treasury on the concerns of low funding. Discussion and consultations are still ongoing.

#### **Conclusion**

The University is grateful to the Government of Kenya, Ministry of Education, Science and Technology for their support to the University. The TTUC community will continue to work hard to meet set targets as set out in the Strategic Plan to fulfil her obligations as set out in the Universities Act 2012 and the Taita Taveta University College Order no. 156 of 2010.

# REPUBLIC OF KENYA

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Website: www.knao.go.ke



P.O. Box 30084-00100  
NAIROBI

## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE AUDITOR-GENERAL ON TAITA TAVETA UNIVERSITY COLLEGE FOR THE YEAR ENDED 30 JUNE 2013

#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Taita Taveta University College for the year ended 30 June 2013, set out on pages 12 to 23, which comprise the statements of financial position as at 30 June 2013, and statement of comprehensive income, statement of changes in funds and reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

#### **Management's Responsibilities for the Financial Statements**

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on these financial statements based on the audit. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

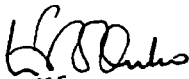
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence obtained is sufficient and appropriate to provide a basis for my unqualified audit opinion.

### **Opinion**

In my opinion, the financial statements present, in all material respects, the financial position of the Taita Taveta University College as at 30 June, 2013 and of its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with Taita Taveta University College Order No. 156 of 2011.



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

**Nairobi**

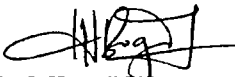
**27 March 2014**



**Statement of Financial Position as at 30 June 2013**

<b>ASSETS</b>	<b>Note</b>	<b>2012 / 2013 Kshs</b>
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	20	373,965,947
Intangible Assets	18	310,905
		<b>374,276,852</b>
<b>CURRENT ASSETS</b>		
Trade and other Receivables	16	101,795,564
Inventories	15	2,433,585
Cash and Bank Balance	14(a)	1,208,879
Prepayments	19	886,760
		<b>106,324,787</b>
<b>Less:</b>		
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	17	23,640,356
Negative Cash Book Balance	14(b)	1,360,766
<b>Total current Liabilities</b>		<b>25,001,122</b>
<b>Net current</b>		<b>81,323,666</b>
<b>TOTAL NET ASSETS</b>		<b>455,600,518</b>
<b>FUNDS AND RESERVES</b>		
Capital Fund		435,142,877
Revenue Reserve		8,886,267
		<b>444,029,144</b>
<b>LONG TERM LIABILITIES</b>		
Asset Financing Loan		11,571,374
<b>TOTAL FUNDS, RESERVES AND LIABILITIES</b>		<b>455,600,518</b>

  
Prof Lucia Ndong'a Omondi PhD. EBS  
Chairman of the University College Council

  
Prof. Hamadi Iddi Boga, PhD.  
Principal, Taita Taveta University  
College

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

<b><u>INCOME</u></b>	<b><u>Note</u></b>	<b><u>2012 / 2013</u></b> <b><u>Kshs</u></b>
Government Grant Income	2	204,600,000
Tuition Fees Income	4	65,540,466
Fees and Other Charges	5	27,960,603
Donations	2	5,578,090
Other incomes	6	333,051
		<b><u>304,012,210</u></b>
<b>EXPENDITURE</b>		
Personal Emoluments	7	162,146,986
Academic Costs	8	12,635,860
Administrative Costs	9	8,008,949
Students Welfare Costs	10	23,242,075
Maintenance Work Costs	11	3,025,870
Central Services Costs	12	79,522,056
Council, committees expenses	13	6,544,147
		<b><u>295,125,943</u></b>
<b>Surplus for the year</b>		<b><u>8,886,267</u></b>

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2013**

Kshs

Surplus for the year	8,886,267
Adjustment for :	
Amortization of SAGE Software	133,245
Depreciation Charge	12,781,729
Decrease(increase) in Trade Receivables	(34,674,593)
Decrease(increase) in Inventories	(2,433,585)
Increase in Prepayments	(886,760)
Increase(Decrease) in Trade Payables	<u>23,640,356</u>
<b>Net cash generated from Operating Activities</b>	<b><u>7,446,659</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment of Software	(444,150)
Acquisition of Assets	(26,604,799)
<b>Net cash used in Investing Activities</b>	<b><u>(27,048,949)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Development Grant	7,879,029
Bank Loan	<u>11,571,374</u>
<b>Net Cash from Financing Activities</b>	<b><u>19,450,403</u></b>
<b>Net Increase (Decrease) in cash and cash equivalents</b>	
Cash and cash equivalents at beginning of year	0
Cash and cash equivalents at end of year	<b><u>(151,887)</u></b>
<b>SUMMARY OF CASH AND BANK BALANCES</b>	
Cash and Bank Balance	1,208,879
Overdrawn Cashbooks	<u>(1,360,766)</u>
<b>TOTAL</b>	<b><u>(151,887)</u></b>

**STATEMENT OF CHANGES IN FUNDS AND RESERVE FOR THE YEAR ENDED 30 JUNE 2013**

<b>Particulars</b>	<b>Capital Fund Kshs</b>	<b>Revenue Reserve Kshs</b>	<b>Total Kshs</b>
Balance as at 01.07.12	360,142,877	0	360,142,877
Additions in the year	75,000,000		75,000,000
Surplus		8,886,267	8,886,267
As at 30.06.13	435,142,877	8,886,267	444,029,144

**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013****1. SIGNIFICANT ACCOUNTING POLICIES****a) BASIS OF PREPARATION**

These financial statements have been prepared in conformity with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (ISAB).

The accounts have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The principles of accounting policies are as outlined below: They are prepared in the functional currency Kenya shillings (Kshs) rounded to the nearest shilling. (IPSAS 1)

**b) REVENUE RECOGNITION**

Revenues are recognized when deemed due. If such revenue are not received, a debtor is created in the ledger.

**c) PROPERTY, PLANT AND EQUIPMENT**

Property, plant and Equipment are stated at cost or valuation less accumulated depreciation. Depreciation is calculated on reducing balance basis over the estimated useful economic life for asset to its residual values. Amortization is calculated on straight line basis using the following annual rates. All categories of property, plant and equipment are recorded at cost. Freehold land is not depreciated. It is deemed to have indefinite life

a. Building	2% per annum on cost
b. Plant and Machinery	10% per annum on cost
c. Furniture and fittings	10% per annum on cost
d. Motor vehicle	20% per annum on cost
e. Equipment and Computers	30% per annum on cost
f. Software	30% per annum on cost

**d) INVENTORIES**

Stocks are stated at the lower of the cost or their net realisable value. IPSAS (12), Cost of library Books and Perishables as written off to expenditure as incurred..



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**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'S**

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**e) TRANSACTION OF FOREIGN CURRENCY**

Transactions of Foreign Currency are converted to Kenya Shilling at rate ruling the transaction date.

**f) REPORTING CURRENCY**

The figures are expressed in Kenya Shilling (Kshs)

**g) EXPENDITURE RECOGNATION**

Expenditure is recognized when incurred

**h) PENSION**

The institution is in the final process of registering a Pension Scheme. However former JKUAT staff continues to contribute to their former employers scheme. The Employee Contributes 10% while the University contributes 20% of basic salary. The College contributes to NSSF Kshs 200 for staff on contract.

**i) TAXATION**

The institution is exempted from corporate tax of 30%

**j) RELATED PARTY**

During the year JKUAT who is the mother University transferred assets of Kshs 360,142,877 and during the year JKUAT paid salaries for former JKUAT staff at TTUC up to December 2013, which was being reimbursed by TTUC.

**k) COMPARATIVE**

This being the first year of preparing financial statements, there are no comparatives for the previous year.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'S  
2 GOVERNMENT GRANTS INCOMES**

Capitation (Recurrent Grant) 204,600,000  
Total 204,600,000

**3. DONATIONS****Bursary Grants**

526,016

Donations

5,052,074

Total

5,578,090**4 TUITION FEES INCOMES**

Tuition Fee 49,530,125  
Residential Fees 987,112  
ID/Registration Fees 898,411  
Examination Fees 4,772,979  
Medical Fees 2,982,245  
Internet Fees 1,490,147  
Computer Fees 1,475,171  
Library Fees 1,083,315  
Field Trip/Attachment 1,146,845  
Student Activity Fees 955,310  
Bridging Course 2,900  
Student Union 215,906  
Total 65,540,466

**5. FEES AND OTHER CHARGES**

Application Fees 109,200  
Accommodation Charges 6,234,631  
Rental Income- Staff 433,791  
Students P.A.Y.E. 15,840,413  
Staff cafeteria 1,505,025  
Shop Rent 126,482  
Disposal Of Fixed Assets -  
TTUC Hospital Cost Sharing 239,052  
Sale Of Tenders 814,500  
Seminar Charges 1,523,510  
Miscellaneous Income 1,133,999  
Total 27,960,603

**6. OTHER INCOMES**

Green House 18,627  
Bookshop 59,774  
Laundry -  
Guest House 254,650  
Total 333,051

**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'S****7. PERSONNEL EMOLUMENTS**

Staff Salary	105,421,922
Casual Wages	24,667,871
Part Time Teaching	<u>32,057,193</u>
<b>Total</b>	<b><u>162,146,986</u></b>

**8. ACADEMIC COSTS**

Purchase of Teaching/Production Materials	3,224,473
Field Attachment Expenses	4,844,311
Joint Admission Board	83,900
Examination Expenses	3,379,443
Research Expenses	<u>1,103,733</u>
<b>Total</b>	<b><u>12,635,860</u></b>

**9. ADMINISTRATIVE COSTS**

Travelling and Accommodation	6,903,130
Telephone Expenses	451,050
Entertainment	<u>654,769</u>
<b>Total</b>	<b><u>8,008,949</u></b>

**10. STUDENT WELFARE COSTS**

Gas and Cooking fuel	2,116,700
Food and rations	18,945,718
Crockery and utensils	341,565
Inter- university games	1,004,940
Student Union	<u>833,152</u>
<b>Total</b>	<b><u>23,242,075</u></b>

**11. MAINTENANCE COSTS**

Maintenance of plant/mach/equip	772,438
Repair & Maintenance of Furniture	350,927
Maintenance of buildings	1,109,030
Maintenance of water/sewerage	527,131
Maintenance of roads/grounds	<u>266,344</u>
<b>Total</b>	<b><u>3,025,870</u></b>



**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'S****12. CENTRAL SERVICES**

Purchase of Stationary	3,075,295
Purchase of Cleaning Material	2,873,288
Purchase of Uniform & Clothing	679,700
Medical Expenses	3,603,850
IGU Investment (Seed Money)	30,000
External travelling	3,948,082
Postal & telegrams expenses	155,945
Official entertainment	1,242,406
Conference & seminars	1,679,878
Public celebrations/funerals	473,259
Publishing & printing	171,846
Advertising & Publicity	3,630,920
Audit fees	500,000
Rent and Rates	1,062,100
Contracted professional services	1,316,890
Hire of transport & machinery	1,084,425
Motor vehicle insurance	29,891
General Insurance	5,269
Bank charges/interest	437,605
Fees commission & Honoraria Exp.	92,750
Staff Training expenses	644,500
Show expenses	691,380
Graduation expenses	305,656
Subscription to Professional Bodies	163,920
Strategic Plan	576,250
Contingence & Disaster Mgt	650,945
Internet Connectivity	2,199,708
Computer Accessories & Software	527,822
Electricity & Water expenses	7,390,160
Fuel for Generator	749,184
Transport Operating expenses	5,661,510
Library Expenses	1,414,129
Sundry Expenditure	19,538,519
Depreciation	12,781,729
Amortization of Software	<u>133,245</u>
<b>Total</b>	<b><u>79,522,056</u></b>

**13. COUNCIL ACTIVITIES**

Allowance and Other Activities	<u>6,544,147</u>
<b>Total</b>	<b><u>6,544,147</u></b>

**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'S****14. CASH AND BANK BALANCES****a) Cash and Bank Balances**

KCB TTUC Student Fees account	345,550
KCB TTUC Catering account	863,328
KCB JKUAT TTC account	1
<b>Total</b>	<b><u>1,208,879</u></b>

**b) Cash and Bank Balances**

KCB TTUC Main account	(629,756)
Equity Student Fees account	(406,604)
KCB TTUC Salary account	(263,853)
KCB TTUC Main Clearing Account	(60,491)
Equity Clearing Account	(51)
Catering Clearing Account	(11)
<b>Total</b>	<b><u>1,360,766</u></b>

**15. INVENTORIES**

Maintenance Store	1,235,857
Cleaning materials	127,810
Catering Store	591,045
Stationary store	478,873
<b>TOTAL</b>	<b>2,433,585</b>

**16. TRADE AND OTHER RECEIVABLES**

Student fees balance	22,524,077
Staff Debtors - Rent	212,253
Staff Debtors - Imprest	440,395
Other debtors - Shop rent	247,868
MOEST - Revenue	11,250,000
<b>Total</b>	<b><u>34,674,593</u></b>
MOEST - Capital	67,120,971
	<b><u>101,795,564</u></b>



**NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013**  
**CONT'**

**17. TRADE AND OTHER PAYABLES**

Sundry creditors	6,892,036
JKUAT Arrears	8,004,341
Salary Deduction	5,996,372
Provision for Part-time	2,247,607
Provision for Audit fees	500,000
<b>Total</b>	<b><u>23,640,356</u></b>

**18. INVESTMENT IN SOFTWARE**

Investment in Finance Software	444,150
Amortization	<u>133,245</u>
<b>Total</b>	<b><u>310,905</u></b>

**19. PREPAYMENTS**

Others Prepayments – Medical	500,000
Prepayment motor vehicle Expense	328,796
General Insurance	<u>57,964</u>
<b>Total</b>	<b><u>886,760</u></b>

**DISCLOSURE NOTES TO ACCOUNTS**

The University has acquired a revolving Asset Loan with KCB Bank of Kshs 30,000,000.00 (thirty million) for purchase of the Motor vehicles, a Bus, Computers and Equipment.



TAITA TAVETA UNIVERSITY COLLEGE

FY 2012/2013

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'

FIXED ASSETS SCHEDULE AS AT 30 <sup>TH</sup> JUNE 2013									
20. PROPERTY PLANT AND EQUIPMENT									
	WORK IN PROGRESS	LAND	BUILDINGS	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENTS	MOTOR VEHICLE	PLANT & MACHINERY	TOTAL	
			2%	10%	30%	20%	10%		
<b>DEPN. RATES</b>									
<b>COST/VALUATION</b>									
As at 01/07/2012	95,369,208	15,000,000	227,483,440	12,194,501	7,529,008	2,121,200	443,520	360,142,877	26,604,799
Additions in the years	7,625,169	-	-	2,345,185	7,238,682	9,395,763	-	386,747,676	-
As at 30/06/2013	102,994,377	15,000,000	227,483,440	14,539,686	14,767,690	11,516,963	443,520	386,747,676	-
<b>DEPRECIATION</b>									
Accumulated at 01/07/2012									
Change for the period			4,549,709	1,433,969	4,430,307	2,303,393	44,352	12,781,728	
As at 30/06/2013			4,549,709	1,433,969	4,430,307	2,303,393	44,352	12,781,729	
NBV (30.06.2013)	102,994,377	15,000,000	222,933,731	13,085,717	10,337,383	9,213,571	399,168	373,965,947	



TAITA TAVETA UNIVERSITY COLLEGE

FY 2012/2013

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013 CONT'

FIXED ASSETS SCHEDULE AS AT 30 <sup>TH</sup> JUNE 2013								
20. PROPERTY PLANT AND EQUIPMENT								
	WORK IN PROGRESS	LAND	BUILDINGS	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENTS	MOTOR VEHICLE	PLANT & MACHINERY	TOTAL
			2%	10%	30%	20%	10%	
DEPN. RATES								
COST/VALUATION								
As at 01/07/2012	95,369,208	15,000,000	227,485,440	12,194,501	7,529,008	2,121,200	443,520	360,142,877
As at 30/06/2013	7,623,169	-	-	2,345,185	7,228,682	9,395,763	-	26,604,799
As at 30/06/2013	102,994,377	15,000,000	227,485,440	14,539,686	14,767,690	11,516,963	443,520	386,747,676
DEPRECIATION								
Accumulated at 01/07/2012								
Change for the period								
As at 30/06/2013	-		4,549,709	1,453,969	4,430,307	2,303,393	44,352	12,781,729
As at 30/06/2013			4,549,709	1,453,969	4,430,307	2,303,393	44,352	12,781,729
NBV (30/06/2013)	102,994,377	15,000,000	222,935,731	13,085,717	10,337,383	9,213,571	399,168	373,965,947



## TAITA TAVETA UNIVERSITY COLLEGE

(A Constituent College of Jomo Kenyatta University of Agriculture and Technology)

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