Annual Report
2010-2011

Working Across Africa
Beyond Technological, Language and Cultural Barriers
Brief on the African Virtual University

The African Virtual University (AVU) is a Pan-African Intergovernmental Organization established by charter with the mandate of significantly increasing access to quality higher education and training through the innovative use of information communication technologies.

A Charter, establishing the AVU as an Intergovernmental Organization, has been signed so far by (8) African Governments - Kenya, Senegal, Mauritania, Mali, Cote d’Ivoire, Tanzania Mozambique, Democratic Republic of Congo.

The AVU has its headquarters in Nairobi, Kenya and a Regional office in Dakar Senegal with Host-Country Agreements and Diplomatic Status with the two governments.

Founded in 1997, the AVU has contributed to training 43,000 students across Africa and has established the largest network of Open Distance and eLearning institutions in over 30 countries in Sub-Saharan Africa. AVU works across borders and languages in Anglophone, Francophone and Lusophone Africa.

Vision

“To be the Leading Pan-African Open, Distance and eLearning Network”

Mission

“To facilitate the use of effective Open, Distance and eLearning in African institutions of tertiary education”

Strategic Objectives

- To increase access to tertiary and continuing education in Africa by reaching large numbers of students and professionals in multiple sites simultaneously
- To increase access to higher quality Open, Distance and eLearning (ODeL) resources that are relevant to Africa
- To enhance the capacity of African tertiary educational institutions
- To enhance and sustain a network of Partner Institutions
- To build and sustain partnerships with institutions that can support the African Virtual University Mission
- To carry out research and evaluation activities on the African Continent
- To build and sustain a committed and effective African Virtual University organization
- To develop and implement a fund raising strategy in support of all of the above objectives with focus on African Governments, the Private Sector and International Organizations.
EXECUTIVE SUMMARY

The 2010-2011 annual report highlights activities the African Virtual University (AVU) has undertaken during the financial years July 2009 to June 2010, and July 2010 to June 2011. During the period under review, the AVU continued to increase its impact and gained recognition of its work in Africa and beyond. This period has seen AVU expanding its activities, but at the same time facing new challenges.

The AVU Multinational Project I, implemented in 10 countries and funded by the African Development Bank, exceeded its expectations both from AVU and the donor perspectives and has led to the preparations of a second phase that will strengthen its gains and extend its benefits to 21 countries. AVU launched an Open Educational Resource interactive portal called OER@AVU and hosting 219 textbooks of ICT Integration in Mathematics, Biology, Physics, Chemistry and Education, ICT Basic Skills and Bachelor of Education professional courses available freely to institutions and individuals in Africa and beyond. From December 2010 to June 2011, the materials were accessed some 200,000 times in more than 150 countries and territories worldwide.

The AVU Academic Unit which is in charge of designing, developing, delivering and monitoring the AVU Academic courses and programs jointly with partner institutions, continued to offer academic programs, including the Certificates in renewable energies, in ICT Basic Skills, in Integration of ICTs in Maths and Sciences programs, and in ICT professional development courses. Joint certificate were delivered to successful candidates by AVU and the partner institutions.

By December 2010, more than 750 students had been awarded scholarships, 70% of whom were females. The beneficiaries were mainly from Mozambique, Kenya, Uganda, Zimbabwe, Senegal, Zambia, Tanzania, and Somalia.

The AVU continued to offer consulting services which now form the part of AVU core activities and assist the organization in raising funds for its core budget. In line with the AVU Business Plan 2009-2014, the organization engaged more partners across the African continent and beyond, held its bi-annual general assembly, adopted a new charter, and concluded the Multinational Project. In October and November 2010, the Republic of Mozambique and the United Republic of Tanzania respectively signed the AVU Charter, joining the growing number of AVU member states.

In partnership with other institutions, the AVU worked towards developing capacity of tertiary institutions in Somalia as well as enabling refugees in camp gain access to higher education.

The AVU developed the Virtual Campus for Development and Peace (VCDP) in an effort to address the need for qualified human capital and to foster peace building in conflict zones. The VCDP will offer various courses in an online learning environment designed to offer a flexible mode of delivery, including online, mixed, and face-to face.
Message from the Chair of the Board

On behalf of the board of directors, I would like to congratulate and express my sincere gratitude to the Rector, and his team of dedicated staff who continue to work with devotion and zeal to ensure that AVU fulfills its mandate. I would like also to commend the commitment of the partner universities and funding partners, especially the African Development Bank.

As you will note in this report, AVU continued to enhance the capacity of tertiary institutions in Africa, offering programs, while at the same time strengthening its institutional capacity to deliver on its mandate. Undoubtedly, AVU is at the forefront of championing the use of Information and Communication Technologies with its unique ability to work across boundaries and cultural barriers. My own country Mozambique signed the charter of the AVU in 2010 as it was evident that that AVU was assisting the country in its efforts to increase access to quality high education.

AVU was able to focus on the recommendations of the General Assembly of 2010, and has shown commitment in working with its member states, partner institutions, clients and funding partners.

Challenges of access to quality education are many in Africa, it is therefore important to support AVU in its effort to spread novel approaches to education delivery. I call upon all partners to support the mission of the AVU.

Prof. Rogerio Uthui
Chair
Representative for Southern Africa Region
Rector, Universidade Pedagogica, Mozambique
Message from the Rector

I am pleased to report that the changes made at AVU’s approach has strengthened the organization and allowed us to continue pursuing our mission of facilitating the use of effective Open, Distance and eLearning in tertiary institutions in Africa.

AVU pursued its role of increasing access to tertiary and continuing education in Africa in 2010 and 2011. The highlight of this period is the successful completion in 2011 of the Multinational Project I funded by the African Development Bank and implemented in 12 universities from 10 countries. Four Bachelors of education in mathematics and sciences were developed collectively, ten open distance and eLearning centers were installed, hundreds of partner university staff members were trained in distance and eLearning methods, hundreds females and disadvantage individuals received scholarships to enrolled the programs, and 4,000 students were registered.

In 2011, AVU launched the Open Education Resources (OER) portal called OER@AVU http://oer.avu.org which hosts the 219 textbooks development with the 12 universities- textbooks in math and science, teacher education, basic ICT (information and communication technology) skills and four in ICT integration in math and sciences– all of which are freely available in English, French and Portuguese.

Between December 2010 and June 2011, the portal attracted some 200,000 views from over 150 countries. This is a testimony that AVU is contributing to see Africa move from a model where it has been pulling resources from the West to one where the continent has become an active participant in contributing to global knowledge that is shaping international dialogue on education. In 2010, the AVU open educational resources won a global prize from Education-Portal.com based in US, as the Best Emerging OWC initiative.

It is against this background that the AVU and the African Development, in collaboration with governments and universities agreed to strength the gains of the Multinational Project I and to expand its benefits to 21 countries.

During the period under review, we continued to pursue strategic partnerships and sought institutional support from various donors and partners to help AVU achieve its mission and objectives. AVU continued to enjoy widespread recognition and support from leading institutions and multilateral organizations. Tanzania and Mozambique also signed the AVU Charter to become Member States.

Consulting services have now become a central pillar in ensuring sustainability of AVU in line with AVU Business Strategy 2009-2014. Although significant progress has been made, AVU will need to expand its services portfolio.

I would like to thank the AVU Board of Directors, the committed AVU staff members, the partner institutions, the strategic partners, the African Development and other donors, and all friends of AVU for their continuous support to the mission of AVU.

AVU needs to strengthen its gains and to face new challenges. The support of all is needed to accompany the institution in his quest to serve the African continent.

Dr. Bakary Diallo
Rector

THE AFRICAN VIRTUAL UNIVERSITY ANNUAL REPORT 2010 - 2011

WORKING ACROSS AFRICA BEYOND TECHNOLOGICAL, LANGUAGE AND CULTURAL BARRIERS
1 PROJECTIONS AND PROGRAMS

The AVU project and program activities focus on increasing access to relevant higher education and training in Africa. The activities carried out in projects included: Establishment of ODeL Centers and Provision of Connectivity at Partner Institutions; AVU Capacity Enhancement Program (ACEP) at AVU Partner Institutions; Teacher Education Program; Open Education Resources; and Gender Mainstreaming through scholarship awards to females. The activities carried out in academic program included ICT basic skills, ICT Integration in Math and Sciences and Renewable Energies.

1.1. Phase I Multinational Support Project

The AVU Multinational Support Project I was an initiative funded by the African Development Bank (AfDB) and partly by the United Nations Development Program (UNDP) with the overall objective of strengthening the capacity of the African Virtual University (AVU) and a network of institutions. AVU implemented the project whose aim was to deliver and manage quality ICT assisted education and training opportunities in selected African countries. The Project was officially concluded in February 2011.

Countries and institutions that benefited from the project were: Ethiopia, Jimma University; Kenya, University of Nairobi; Madagascar Université d’Antananarivo; Mozambique, Universidade Pedagogica; Senegal, Universite Chiek Anta Diop; Somalia, Amoud University; Tanzania, Open University of Tanzania; Uganda, Kyambogo University; Zambia, University of Zambia; and Zimbabwe, University of Zimbabwe.

Overall Project’s Outputs and Impact include 10 Open Distance and eLearning centers, 219 textbooks produced and released as Open Educational resources, 4,000 students enrolled, 750 scholarships offered. The Multinational Project I is described in detail in the Features section of this report.

1.2. Open Education Resources;

In 2011, AVU launched the Open Education Resources (OER) portal called OER@AVU http://oer.avu.org which hosts the 219 textbooks development with the 12 universities-textbooks in math and science, teacher education, basic ICT (information and communication technology) skills and four in ICT integration in math and sciences—all of which are freely available in English, French and Portuguese.

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Educators can use, modify and contribute to AVU collection, make their educational resources available to others, discuss and comment on them, and collaborate in developing them further. The OER@AVU has therefore enabled Africa to contribute to global knowledge and not just the consumer of content from the ‘north’.

In future, the OER@AVU will host all of the AVU’s upcoming open educational resources in areas such as Business Studies, Computer Sciences, Agriculture, and Environmental studies. The modules are freely available on the AVU interactive portal: http://oer.avu.org. These resources are also available on Scribd (http://www.scribd.com/AfricanVirtualUni).

1.3 AVU Academic Programs

AVU collaborates with a wide network of partners - governments, universities, development partners, private sector - to offer academic programs and courses designed to respond to the demand of the African context and the need of local employers. The programs and courses are offered by AVU or jointly by AVU and its Partner Institutions. AVU offers academic programs and courses and self-learning programs. The self-learning programs are largely offered through the Virtual Campus for Development and Peace whose main objective is to provide skills to young and adult learners in the formal and informal sectors.

The AVU has introduced a series of eLearning courses, programs and workshops designed to provide knowledge and skills about eLearning and Technology in Information and Communication. The main objective of such offers is to unlock the potential of ICTs in Education in Africa.

1.3.1 ICT Basic Skills Course

The ICT Basic Skills and ICT Integration in Education for Mathematics and Sciences are programs of the African Virtual University (AVU) delivered in collaboration with Partner Institutions.

The programs target both pre-service and in-service teachers with the aim of developing their capacity to effectively and appropriately use ICTs teaching their respective courses, in Mathematics and Sciences (Biology, Physics and Chemistry). The program was offered in the following institutions.
University of Zambia

The African Virtual University (AVU) in collaboration with the University of Zambia (UNZA) completed the Information Communication Technologies (ICT) Basic Skills and ICT Integration in Education joint accreditation Certificate programs for Education Managers/Administrators, Teachers and Teacher Educators. These programs were designed to improve institutional management, teaching and learning practices as well as increase the number of ICT literate personnel in the Education Sector in Zambia.

The University of Zambia had an enrolment of 30 students for ICT Basic Skills and out of the thirty, 22 of them also enrolled for ICT Integration in Education. The students were drawn from Secondary School teachers and administrators from Lusaka and Kitwe regions, as well as education managers from the Ministry of Education in Zambia.

University of Cheikh Anta Diop in Dakar

The ICT Basic Skills and ICT Integration in Education for Mathematics and Sciences programs were offered at the Faculty of Education and Technical Sciences Training (FASTEF). By May 2011, four cohorts of students registered in the programs had successfully completed the programs.

University of Nairobi, Kenya

Student who enrolled in ICT Basic Skills and ICT Integration in Education for Mathematics and Sciences completed the programs except 2 who absconded. The Kyambogo University Council approved the graduation of the students and the AVU is awaiting information on the graduation date to facilitate printing and dispatch of the certificates. Out of the 30 students, 29 of them will receive certificates in ICT Basic Skills. In ICT Integration, 28 students will receive Certificates, and 2 students who absconded will not get certificates.

University of Zambia

Two cohorts are currently enrolled in the ICT Basic Skills and ICT Integration in Education for Mathematics and Sciences programs. AVU awarded scholarships to 60 students currently enrolled.

Puntland State University (PSU), Somalia

The AVU awarded 30 scholarships to female students to pursue courses in ICT Basic Skills as well as ICT Integration in Education. At the end of the training, 18 students had completed the Certificate in ICT Basic Skills and 16 completed the Certificate in ICT Integration in Education. The graduation ceremony date will be announced later by the university management.

The Open University of Tanzania (OUT), Tanzania

A total of 107 students completed the training and 101 out of them were awarded joint certificates in ICT Basic Skills and 99 were awarded certificates in ICT Integration in Education.

Impact

The programs objective of improving the effectiveness of teaching and student’s learning by developing teachers, managers and trainers’ competencies and abilities in use ICTs as tools for teaching, learning and managing learning were met.

With the acquired knowledge and transfer of skills, the AVU is confident that the ICT Skills Graduates are well equipped to teach using ICTs, choose those that are most appropriate to stimulate learning and improve the quality of their delivery, and facilitate students’ use and analysis of information from the internet and other educational software thus making education more effective.

1.3.2 Certificate in Renewable Energy

Through funding from Imperial Tobacco, the AVU developed two Certificates in Renewable Energy: (i) Certificate in Renewable Energy option Production of Electricity; and (ii) Certificate in Renewable Energy option Production of Heat.

The certificate courses are intended for professionals who are already working in the field of Renewable Energy and who need to enhance their capacities and students who wish to be specialized and start a career in that field.

The courses are offered at Universite Cheikh Anta Diop in Senegal 54 students have already graduated with the Certificate in Renewable Energy option Production of Electricity. The program is also funded by the Charity Aid Foundation. AVU awarded partial scholarships awarded to majority of the students undertaking the program.

1.4. Gender Mainstreaming through scholarship awards to females

The AVU established a scholarship fund to award scholarships generally to assist eligible enrolled female students and those from disadvantaged backgrounds to access education opportunities. The scholarships are mainly funded by the African Development Bank (AfDB), which is the main funder, Canadian International Development Agency (CIDA) and the Charity Foundation of United Kingdom.

The scholarships are awarded on the basis of merit, gender and availability and administered by the AVU in cooperation with its partner institution and Ministries of education in the respective countries. By December 2010, more than 750 students had been awarded scholarships, 70% of whom were females. The beneficiaries were mainly from Mozambique, Kenya, Uganda, Zimbabwe, Senegal, Zambia, Tanzania, and Somalia. More information on gender mainstreaming is covered in the Features section of this report.
1.5 The AVU Campus Development and Peace:

The availability of qualified human capital is one of the major factors hindering economic development in Africa. Thus, the African Virtual University (AVU) developed the Virtual Campus for Development and Peace (VCDP) http://www.avu.org/vcdp as an extensive online learning environment designed to address the training of qualified human capital and peace building through a flexible mode of delivery, including online, mixed, and face-to-face.

The Virtual Campus for Development and Peace provides an opportunity for the AVU and its partners like educational institutions, government and non-governmental organizations, and development agencies to reach more learners. The focus is on providing practical skills and knowledge to a variety of learners including workers in the formal and informal sector, school dropouts, females and other disadvantaged groups.

The Virtual Campus is starting with programs and projects on Food Security, Renewable Energy, Telecommunication Infrastructure, Distance and eLearning, and Health Sciences. The current partners include UN Food and Agriculture Organization (FAO), the International Atomic Energy Agency (IAEA), the European Union, and the Open University of Catalonia.

AVU provides several services through the Virtual Campus for Development and Peace, including content development, hosting 3rd party programs, 3rd party Webinar, training, design and establishment of Distance and eLearning Centers, and eLearning consultancy services.
AVU SERVICES

AVU provides services designed to assist clients to fully benefit from the potential of eLearning. The services are offered for a fee and include:

- Content Development
- Consulting services on eLearning solutions
- Establishment of Distance and eLearning Centers
- Hosted programs and courses
- Hosted Communities
- eConferencing
- Webinars (online seminars)

Consulting services on eLearning Solutions

AVU offers consulting services on eLearning to companies and who want to adopt distance and eLearning. AVU services provide holistic approach including need assessment, policy formulation, planning, resources (financial, human, infrastructure), implementation, and management and monitoring.

Virtual University for Cancer Control (VUCCnet)

Due to the severe shortage of cancer-related professionals in Africa, the International Atomic Energy Agency (IAEA) launched an initiative to establish a Virtual University for Cancer Control. The initiative, which is collectively referred to as VUCCnet, is intended to support and enhance IAEA Member States to build human resource capacity in cancer control.

The IAEA thus commissioned the African Virtual University (AVU) to carry out a baseline survey and gap analysis in the 6 countries. The AVU The survey was carried out between November 2010 and March 2011, and it sought to establish:

- Existing institutions (university and health) that can serve as provisional VUCCnet Campuses
- Existing physical infrastructure (classrooms, computers, projectors) that may be used in establishing the VUCCnet
- Existing IT infrastructure that may be used in establishing or support for the VUCCnet
- Existing IT skills of the human resources of the VUCCnet provisional campuses, including any training that will be required
- Existing African Virtual University (AVU) Infrastructure that may be used to deliver the VUCCnet online learning in the 4 pilot countries
- Design and develop a potential academic administrative framework for VUCCnet Baseline Survey.

Following the assignment, the AVU produced a comprehensive report, including reports on: existing situation in terms of the proposed cancer programs; virtual learning infrastructure, and access points; an analysis of the IT Infrastructure; and concrete recommendations for VUCCnet’s Programs, Required Infrastructure, Access Points, and AVU’s Possible Technical input.

Evaluation of an Online Program for the Regional AIDS Training Network (RATN)

The Regional AIDS Training Network (RATN) in collaboration with the University of Manitoba (UM) has been piloting an online course in Inter-Disciplinary Studies HIV/AIDS Program Management.

RATN offered a Short-Term contracted AVU on short term to provide technical assistance to undertake an evaluation of its online pilot course. The scope of work included documenting the findings and lessons learnt from collaborative partnership between RATN and UM as well as experiences in piloting the online course.

The AVU submitted an evaluation report highlighting the relevance, applicability and suitability of the on-line approaches and the logistical modalities used to conduct this online course and the relevance, applicability and suitability of the online course modules to the training needs of the target group and ease of uptake and logistics by trainers, trainees, the secretariat, and beneficiary organizations. This report was presented and discussed with RATN stakeholders at a workshop in November 2010.

Distance and eLearning Professional Development Course

The AVU launched a Certificate in Distance and eLearning Professional Development to respond to the demand of institutions to enhance the capacity of institutional staff members in eLearning.

The objectives of the certificate program are: a) to equip staff members with the necessary knowledge, skills and techniques required to transform existing content into eLearning format; b) to develop and deliver online course; c) to facilitate online courses, d) to provide technical assistance, organize, upload content; and e) to manage a Learning Management System and sustain the eLearning courses. The
A course was delivered in a workshop format using a blend of face-to-face and online learning for 40 hours per program.

**Moi University Pedagogy Training**

The Moi University Institute for Gender Equity, Research and Development (IGERD), commissioned the AVU to provide training on eLearning to a team comprising 9 faculty staff. This was in an effort to equip the faculty staff with the required eLearning skills to scale up and increase sensitization on Gender issue.

The AVU delivered a tailor-made training program that matched the needs of Moi University’s gender faculty. The training was largely drawn from the AVU Capacity Enhancement Program, which was designed to focus on providing the Institute’s staff with the basic and relevant skills in:

- Instructional design and materials development for eLearning; Delivery and technology for eLearning (techniques and skills in the use of LMS);
- Basics in management and sustainability of eLearning programs;
- Principles and Theories of Integrating ICTs in Education

The training was delivered through 3 workshops with online support on the AVU LMS.

**Union Economique et Monétaire Ouest Africaine (UEMOA)**

The AVU won a bid from UEMOA (West African Economic and Monetary Union) in 2010 to conduct a Study of Feasibility and Networking of 55 Institutions of Higher Education in the UEMOA member countries.

Funded by the African Development Bank (AfDB), the project was carried out for 6 months and has since had enhanced networking among educationists to share best practices to ensure the provision of quality education in Africa.

**Somali Higher Education Regional Networking (SHERNet) project**

The Somali Higher Education Regional Networking (SHERNet) project is funded by the European Commission and it aims at developing the capacity of higher education institutions in Somalia. The participating institutions from include: Amoud University, University of Hargeisa, Burao University, Gollis University, Puntland State University, East Africa University, Mogadishu University, SIMAD University, and Benadir University.

The Project is being implemented by Kenyatta University in Kenya, University of Nairobi in Kenya and the AVU. The role of the AVU in the implementation involves the strengthening of eLearning capacity which includes activities such as: training Somali academics on eLearning; training ICT staff on Basic ICT Skills; Production of e-learning materials; and implementing an English-as-a-second-language TOEFL Program. The Program which started in September 2010 is in its final stages of implementation.

AVU has undertaken the following activities as part of the project:

- **ICT for eLearning Workshop** - The AVU delivered a certificate program for University Technical Staff in Somalia from July 9th to August 23rd 2011. The purpose of the Certificate program was to facilitate the adoption of eLearning in the 9 participating universities. The program was delivered in 2 phases, a face-to-face workshop and an online component.

- **eLearning Pedagogy Workshop** – The 10 day face to face workshop was conducted at the University of Hargeisa in Somalia from 9th to 19th July 2011. This will be followed by a one month Community of Practice starting on July 23 and that was also conducted online on the AVU’s virtual classroom platform “MyAVU” (www.avu.org/virtualclass).

**Packaging of e-Content on CDs, DVDs, and VCDs** – AVU packaged 5 modules developed for the two capacity building programs into eLearning Courses. The content is hosted online and is also available in CD-ROMs and distributed.
3 THE AVU ELEARNING DAY

The main objective of the AVU eLearning day is to support and reinforce the growing pan-African e-Learning community by providing an opportunity for African professionals and stakeholders to benchmark, learn, share and network, thus strengthening the continent’s many and varied educational technology initiatives and projects.

The first AVU eLearning Day was launched in May 2009 in Dakar, Senegal during the e-Learning Africa 2009 conference, which was the 4th International Conference on ICT for Education and Training. The theme of the Day was: “Promoting eLearning in Africa”. The eLearning Africa conferences are annual events attracting, on average, over 1800 delegates from across the world with 70-80% African representation.

The 2nd AVU eLearning Day took place in Lusaka, Zambia in May 2010. The theme of the event was: “Overcoming Challenges and impacting lives”. This event was used to raise public awareness about AVU programs and services in order to increase AVU’s enrollment, membership, donor support and funding, as well as to sensitize the community about the change of focus and management at AVU.

The 3rd AVU eLearning Day was celebrated on May 26th, 2011 at the eLearning Africa 2011 Conference in Tanzania. The theme was: “OER@AVU: Quality Open Education Resources-Africa Contributing to global knowledge”. At the conference, the AVU successfully conducted a Webinar on: “Developing and Using OERs in Africa: Lessons Learned from the African Virtual University”. In addition, the AVU Rector, Dr. Bakary Diallo was a Keynote speaker in a number of sessions at the conference.

The AVU celebrated the 4th eLearning day at the eLearning Africa Conference in Cotonou, Benin on May 23rd, 2012.

The theme was: “A Comprehensive Approach in Enhancing the Capacity of African Universities in Distance and eLearning” with focus on how the AVU Multinational Project II will contribute to address challenges facing institutions of higher learning in Africa.
4 MEMBERSHIP AND PARTNERSHIPS

Tanzania and Mozambique signed the AVU Charter to become Member States

The Republic of Mozambique and the United Republic of Tanzania ratified the AVU Charter in October and November 2010 respectively to become AVU Member States.

These countries benefited from the AVU Multinational Support Project with the Open University of Tanzania and Universidade Pedagogica of Mozambique having their capacities strengthened to develop, deliver and manage quality ICT integrated education and training opportunities. An Open Distance and eLearning Center was installed in both countries, and university staff members were trained in eLearning methodologies.

The addition of these two countries brings the Member States tally to eight that includes Kenya, Senegal, Mauritania, Cote d’Ivoire, Democratic Republic of Congo, and Mali. Sovereign states in the African Continent may become AVU Member States by ratifying the AVU’s Charter.

Borderless Higher Education for Refugees (BHER)

The Borderless Higher Education for Refugees (BHER) is a partnership between York University (YU), Kenyatta University (KU) and the AVU to extend tertiary education services to refugees in the Dadaab camps of Dagahaley, Hagadera and Ifo in Kenya.

The 5-year project’s overall objective is to design on-line/on-site higher education courses and degree programs for refugees in the Dadaab refugee camps, as well as for Kenyan students in the remote area of Dadaab. The programs are built on a foundation of collaborative research, including participatory action research (PAR).

AVU in collaboration with York University, Kenyatta University amongst other institutions, will undertake the following activities:

- **Phase 1**: Bridging programs in (i) English for academic learning; and (ii) ICT basic skills and ICT in education
- **Phase 2**: Education generalist (primary school) After the successful completion of the bridging programs, candidates will apply for admission (criteria TBD) to Phase 2, a 30-credit diploma (or “certificate of completion”) in education. This phase will provide the foundation required for general teacher education qualification. The program that is offered must qualify graduates to teach at the primary level both in Kenya and internationally. The program will be customized to complement the school schedule.

- **Phase 3 & 4**: Education Diploma (Specialized) – additional credits for diploma and more for BA/BSc Degree; the program will be comprised of 60-90 upper-level university courses. Like Phase 2, completion of Phase 3 will qualify graduates to teach at the secondary school level both in Kenya and abroad. Completion of Phase 4 will result in an internationally recognized Bachelor’s degree. The intention is to design multiple and flexible paths to a portable, four-year accredited degree.

Activities undertaken

The AVU has already participated in the following activities:
- Development of a proposal that attracted USD249,642 from MasterCard Foundation and awarded to York University for preparation of this project.
- Development of a proposal to Canadian International Development Agency for the project’s implementation of USD4.5 million that has been approved.
- Development of outlines for the bridging courses in ICT basic skill and ICT in education.

Participation in BHER workshops: May 2011 in Kampala.
5 FEATURES

5.1 Multinational Project I

The AVU Multinational Support Project I was an initiative funded by the African Development Bank (AfDB) and partly by the United Nations Development Programme (UNDP). The overall objective of the project was to strengthen the capacity of the African Virtual University (AVU) and a network of institutions coordinated by the AVU to deliver and manage quality ICT assisted education and training opportunities in selected African countries. The project was officially concluded in February 2011.

Countries and institutions that benefited from the project were: Ethiopia, Jimma University; Kenya, University of Nairobi; Madagascar Université d’Antananarivo; Mozambique, Universidade Pedagogica; Senegal, Universite Chiek Anta Diop; Somalia, Arimoud University; East African University; University of Hargisa; Tanzania, Open University of Tanzania; Uganda, Kyambogo University; Zambia, University of Zambia; and Zimbabwe, University of Zimbabwe.

The Project had five main activities which included:

- Establishment of open distance and e-learning (ODeL) center at each participating institution (PI) as well as providing internet connectivity via VSAT technology.
- The AVU Capacity Enhancement Program (ACEP) which was designed to develop the skill sets that the Partner Institutions require not only to contextualize their existing programs but also to develop and deliver their own “In Country” Open, Distance and eLearning programs. ACEP trains in three main areas: (i) Materials development for ODeL programs; (ii) Delivery and Technology of ODeL programs; and (iii) Governance, Management and Financing of ODeL programs.
- The Teacher Education Program which was the flagship component of the project focused on the use of ICTs both in and across the curriculum with a particular focus on Mathematics and Science Education. The program’s objectives were: to improve the quality of teaching and learning in maths and sciences through the use of ICTs; to increase the number of Mathematics, Sciences, and Basic Computer Science teachers by expanding access to training through the use of ODeL methodologies; to develop and promote research in teacher education in order to encouraging evidence-based decision-making in all aspects of teacher development; and to promote regional integration and strengthen relevant partnerships with other teacher education initiatives in Africa and globally.
- Gender Mainstreaming aimed at encouraging more female students to enroll in the science-based education programs by awarding scholarships.
Impact

The overall achievements and impact of the programme were as follows:

- **Ten** Open distance and e-Learning (ODeL) Centres were established, one in each of the ten beneficiary countries. The centres are all fully operational and currently act as physical hubs for the creation, organization and sharing of knowledge and the development of local distance and elearning programs. The centers' main functions include: providing training facilities for staff in the use of ICT in the development, delivery and management of educational programs; a delivery point for the current and future elearning programs (e.g. the Teacher Education Program); a physical location where staff are able to conduct research and participate in collaborative work; and an income generating facility to ensure their long-term sustainability. “The ODeL Centre will be the location where we will undertake the initial cascading of knowledge by undertaking the training of trainers in the (OUT) Head Quarters,” Prof. Tolly Mbwette, Vice Chancellor, Open University of Tanzania.

- Under the project, 459 University academics were trained as follows: 133 in ACEP; 146 Subject Matter Experts trained in re-writing programs in ODeL formats; 60 course leaders trained in delivery and management of education programs; and more than 120 trained in ODeL Centre’s equipment maintenance, upgrading and use of the learning management system. “We were able to start the AVU Program (Teacher Education Program) and in fact we are aiming to make use of this program for nearly 300 teachers,” Prof. Osman Esse Awaleh, Dean, Faculty of Education, University of Hargeisa, Somalia.

- Under the project 86 Modules were developed including 13 of AVU capacity Enhancement Program and 73 of Teacher Education Program. The modules include 4 modules in ICT Basic Skills, 8 modules in Biology, 13 modules in Chemistry, 13 modules in Mathematics, 16 modules in Physics, and 19 modules in Education Professional courses. The Teacher Education Modules have three unique aspects which include: (i) gender responsive materials in order to promote the participation of female students in maths and science-based programs; (ii) Open Education Resources and can be accessed world-wide; and (iii) ICT-integrated and uploaded on a Moodle Learning Management System.

- During the project, the AVU OER Portal – AVU@OER was launched as an online interactive OER Portal in January 2011. The portal hosts all the 73 modules developed for the Teacher Education programs in the 3 project languages of Portuguese, French and English.

- During the project, 4 working including: a Baseline Survey on Education in all the countries as at 2006; A Policy Framework and Curriculum Conceptualization for development of consortium programs; A Quality Assurance Framework; and A Gender Mainstreaming Strategy. The documents can be used by the Universities beyond the project activities.

- By end of the project, more than 4000 students had enrolled in the teacher education program.

- A total of 597 scholarships awarded to students: 413 to students taking up joint AVU/Partner Institution program; 115 to students taking Partner Institution’s Teacher Education Programs; and 69 to Francophone Computer Science Programs. “I have noted with appreciation, that AVU has a program tailored to encourage more female students and other disadvantaged groups to enrol in the science-based education program by providing scholarships to them,” Ms. Fenny Mwakisha, Deputy Director, Ministry of Higher Education, Kenya.

- **Science and Technological impact**: the project contributed to reducing the digital divide within Africa and between Africa and the rest of the world through the establishment and provision of high speed connectivity to the 10 ODeL Centres. This has contributed to: a) improving, designing and delivering science and technology oriented; and b) building Higher Education, Science and Technology Infrastructure and upgrading equipment. Furthermore, the development of math and science modules and the related capacity enhancement training have led to: a) access to the global knowledge resources, especially in science and technology; b) preparing teachers to the transition to the world of work through the program designed to upgrade the ICT skills of mathematics and science teacher and; c) promoting and supporting women’s participation in science and technology through the gender component and especially the scholarship awards.

- **Social Impact**: Education being a collaborative process, this project enabled collaboration between Lusophone, Francophone and Anglophone academics by engaging them in the development and implementation of project activities. Additionally, the project reduced exclusivity in education by contributing towards gender parity in awarding scholarships to female students, especially in Mathematics and Sciences. The gender mainstreaming strategy has also encourage participating institutions to make progress towards a sustainable solution to gender inequalities in academia. Furthermore, the project enabled conflict/post-conflict countries like Somalia and Madagascar to increase the number of skilled academics in their countries. “As a result of the collaboration with the AVU, we have established new programs with new modes of delivery and new targets ….. We expect that this collaboration will in long term have effect on our community and in general in the continent of Africa,” Mr. Ridwaan Mohamed Osman, Dean, Faculty of Education, Amoud University, Somalia.
• Regional Integration Impact: The collaborative methodology adopted with the establishment of the centers, the development of mathematics and science modules and the related capacity enhancement training led to an increased collaboration between participating universities and countries, thus contributing to regional integration beyond languages and cultural divide (English, French, Portuguese). More formally, this collaboration in the project’s implementation culminated in the formation of a Teacher Education Virtual Consortium consisting of all the institutions that participated in the project. This consortium’s overall objective is to sustain the benefits of the project and continue to enhance the capacity of Consortium Members in developing, managing and implementing their own program using ODeL methodologies, beyond the Phase I project. "...May II (AVU) continue to build synergies and to network to extend experiences and projects beyond the present mandate," Senetor Luthor Tapela, Deputy Minister for Higher and Tertiary Education in Zimbabwe.

• Impact on teaching and learning mathematics and sciences: A pilot conducted in the University of Nairabi, (Kenya), Université Cheikh Anta Diop de Dakar, (Senegal), East Africa University and Amoud University, demonstrated clearly that the AVU Teacher Education Program has the capacity to: help more learners perform better in mathematics and sciences; eliminate the gender divide in science performance; and that the innovative use of Information and Communication Technologies allows more learners to access and benefit from the program. "We are collaborating very well with the AVU in that we have participated ... our staff have participated in the formulation of the various modules in mathematics and sciences and we have also taken up those modules in our curriculum. So we perceive our collaboration to be good and am sure it will grow from strength to strength," Professor Stephen Simukanga, Vice Chancellor, University of Zambia.

• Impact on the African Virtual University: Through the project, the AVU worked collaboratively with African partner institutions to develop and deliver programs that are relevant to the development of the continent. The programs were contextualized through indigenous knowledge and practices increasing ownership from participating institutions and countries. “Inclusion in the AVU Project helped us a lot to streamline our ideas about the creation of our own distance learning systems.” Prof. Rogerio Uthui, Rector, Universidade Pedagogica, Mozambique.

Previously, the AVU used to broker content from foreign universities outside the continent. The project therefore: a) strengthened the status of the AVU as a network; b) boosted the relevance and impact of the organization; c) increased its capital experience in terms of managing large and complex project, harmonizing content, and developing and delivering programs in multiple countries beyond technological, language and cultural barriers; and d) strengthened its open, distance and eLearning methodologies as well as online delivery infrastructure. The impact of this project on the AVU largely contributed in defining the key elements that forms the five year business plan 2009-2014.

5.2 Scholarship Fund

The cost of education is one of the barriers to accessing quality learning in Africa. Despite having trained more than 43,000 students through the AVU, eligible learners who cannot afford tuition fees have been left out. The AVU acknowledges the existence of challenges faced in accessing quality education and training and in an effort to bridge the gap between willing learners and the cost of education, a scholarship fund was established to mainly assist eligible female students and those from disadvantaged backgrounds.

The scholarships are awarded on the basis of merit, gender and availability and administered by the AVU in cooperation with its partner institutions and Ministries of education when necessary in the respective countries.

In doing this, the AVU focuses is to increase access to quality education especially for women, therefore contributing towards the Millennium Development Goal that seeks to eliminate gender disparity in education for women for sustainable economic development. By December 2010, more than 750 students had been awarded scholarships, 70% of whom were females. The beneficiaries were mainly from Mozambique, Kenya, Uganda, Zimbabwe, Senegal, Zambia, Tanzania, and Somalia.

While the AVU, takes pride in this as a step in the right direction, the real measure of success comes in the words of the students who have realised the importance of quality education and would like to receive these scholarships:

“I have learnt that the ICT basic skills course is designed to help teachers improve teaching skills. I hope to get this scholarship as the knowledge will help me to become a better teacher.” Abdullahi, Somalia.

“If I get this scholarship, I will study with no stress and I will perform well and become a useful teacher.” Anne, Kenya.

“I am convinced that mastering the use of Information Technologies in the classroom would be important, but I do not have funds to pay for the required Training.” Awa, Senegal.
THE AFRICAN VIRTUAL UNIVERSITY ANNUAL REPORT 2010 - 2011

6 AVU REGIONAL OFFICE

The AVU regional Office located in the heart of Francophone Africa in Dakar, Senegal. The office has been instrumental to the expansion of the AVU network in Francophone Africa. Senegal has signed the charter and the AVU enjoys a diplomatic status in this strategic country.

Dakar Office as the gateway to francophone Africa
The Dakar office has been the gateway to Francophone Africa. The office has not only significantly increased the AVU’s network but also has contributed to position the AVU as one of the major players in Open and Distance Elearning in Francophone Africa. It has been working closely with Francophone partner institutions in strengthening and extending the AVU’s Francophone network.
7 SUMMARY OF FINANCIAL PERFORMANCE

7.1 Introduction

This report gives a summary of AVU’s financial performance covering years 2010 and 2011. AVU moved from a net positive balance of US$ 153,488/- in year 2010 to a net deficit operating result of US$ (160,349/-) in year 2011. The deficit is mainly due to a 52.40% reduction in project funding from US$ 2,120,093 in 2010 to US$ 1,009,633 in 2011. The decrease is mainly due to the conclusion of the Multinational Phase I project funded by AfDB in 2011. Although the funding decreased, AVU was able to support its core operating costs up to 57% in the financial year 2011.

Furthermore, AVU managed to meet its obligations during these two years. This is witnessed by a reduced positive liabilities position of US$ 82,311/- in year 2011. This report summarises overall financial performance and shows the net operating results and a reduction in liabilities position. It also highlights some of the challenges that the AVU is faced with.

7.2. Financial Performance

7.2.1 Operating Results

AVU’s performance during year 2010 was impressive with the operating results as per the audited financial statements showing a surplus of US$ 153,488/-. In year 2011, the financial statements show AVU operating results move from surplus to net deficit of US$ (160,349/-).

(Table I and Graph I below).

Table 1: Key Performance Indicators – Liabilities & Net Operating Results

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td>75,831</td>
<td>82,311</td>
</tr>
<tr>
<td>Net Operating Results</td>
<td>153,488</td>
<td>(160,349)</td>
</tr>
</tbody>
</table>
7.2.2 Financial Position

The total liabilities position improved during year 2010 to US$ 75,831. In year 2011, although the liabilities position increased, it still remained low as compared to previous years at US$ 82,311/- compared to total assets worth US$ 626,590. This represents a positive result. However the total net worth of the AVU reduced drastically from previous years. This was attributed to a reduction in donor funding and revaluation of non-current assets. (See Graph II below)

7.2.3 Post Balance Sheet Events

AVU’s performance indicators have continued to show positive signs even beyond the end of the financial year 30th June, 2011. African Development Bank (AfDB) has since approved Multinational Support Project Phase II. This project is valued at US$ 15.6 million and will be implemented in 5 years effective 24th January 2012. Additionally, through the African Development Bank, the AVU received US$ 75,588 grant from Nigerian Technical Cooperation Resource to support human capacity building. The AVU also signed a contract with International Atomic Energy Agency on 1st May 2012 valued at Euro 410,004/- equivalent to US$ 523,927 /.

7.2.4 Financial Management

The AVU outsourced its internal audit function that has helped enhance and build financial management within AVU. This function was carried out by Erastus & Co., Certified Public Accountants.

AVU continues to maintain up to date books of accounts. AVU is up to date with all the audits which have been carried out by Ernst & Young.

7.3 Challenges

Despite the achievements mentioned above, AVU is still faced with challenges which nevertheless also present new frontiers of opportunities:-

3.1 Continuing to sustain and retaining gains made in Financial Management since 2007, including sustainable alternative funding sources and generation of own unrestricted funds through paid services in order to avoid overdependence on donors.

3.2 Maintaining a ratio between own unrestricted fund and project funding. It has been challenging to focus equally on generating own funds and donor funding projects.

7.4 Conclusion

AVU was capable of overcoming the 2006 financial crisis by achieving steady financial performance since 2007. This performance is due to a strong support from the AVU Board of Directors, a continuous financial backing from the African Development Bank, strong and growing partnerships with state members and partner institutions, and enduring hard work from AVU management and staff.

AVU still need the support of donors and partners to consolidate its gains and fulfill its mission. I appeal to entire family of the AVU to continue assisting to pull AVU to greater heights.

Dr. Bakary Diallo
Rector
The directors submit their report and the audited financial statements for year ended 30 June 2010 which show the state of affairs of The African Virtual University. The comparative figures to these financial statements are for 12 months ended 30 June 2009.

1. PRINCIPAL ACTIVITY
The principal activity of the university is to provide high quality distance learning education at an affordable price by a mixed mode of delivery, including but not limited to satellite broadcasting and on-line learning.

2. STATUS
The African Virtual University (AVU) was incorporated in Kenya on 11 May 2000 and registered as a Non-Governmental Organisation under Section 10 of the Non-Governmental Organisations Act. On 14 August 2002, a charter was signed establishing the AVU as an Inter Governmental Organisation to which section 9 of the Privileges and Immunities Act (Chapter 179, laws of Kenya) applies. On 31 March 2006, AVU changed its status from a Non-Governmental Organisation to an International Organisation, to which the above laws still apply.

3. RESULTS
The results for the year are set out on page 6.

4. DIRECTORS
The directors who served during the year and to the date of this report were:

- The AVU Board of Directors (BoD)
- Prof Rogerio Uthui: Representative for Southern Africa Region, Universidade Pedagogica, Mozambique – Chair
- Dr Gregoire Njejimana: Representative for Central Africa Region, Université Lumière de Bujumbura – Vice Chair
- Prof Suleiman Gulaid: Representative for Eastern Africa Region, Amoud University – Member
- Prof. Jean Koulidiati: Representative of West Africa Region, Former President, University of Ouagadougou
- Prof. Ezra K. Maritim: Co-opted member
- Prof. Ann Floyd: Co-opted member
- Prof Larry Cooperman: Strategic Partner representing Academia, Director, Open Course Ware, Irvine California
- Dr. Bakary Diallo: Rector – African Virtual University and the Secretary to the Board
STATEMENT OF DIRECTORS’ RESPONSIBILITIES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The directors’ responsibility is to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of its operating results for that year. The directors are also responsible for ensuring that the organisation keeps proper accounting records which disclose, with reasonable accuracy, the financial position of the organisation. They are also responsible for safeguarding the assets of the organisation.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organisation and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

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

DIRECTOR

Date 23rd Dec 2010
REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS OF
THE AFRICAN VIRTUAL UNIVERSITY (AVU)

We have audited the accompanying financial statements of The African Virtual University (AVU), set out on pages 5 to 17, which comprise the balance sheet as at 30 June 2010, income and expenditure statement, statement of changes in fund balance, and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of 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 judgment including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of African Virtual University (AVU) as of 30 June 2010 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Nairobi
23/12/2010

The financial statements were approved by the Board of Directors on [23rd Dec 2011] and signed on its behalf by:

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### INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

<table>
<thead>
<tr>
<th>Notes</th>
<th>Income</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td>Donations and Grants</td>
<td>$2.120,093</td>
<td>3,058,242</td>
<td></td>
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<tr>
<td>Fee Income</td>
<td>$122,150</td>
<td>37,905</td>
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<tr>
<td>Short Courses</td>
<td>$3,345</td>
<td>3,090</td>
<td></td>
</tr>
<tr>
<td>Participation Fees</td>
<td>$24,000</td>
<td>24,000</td>
<td></td>
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<tr>
<td>Miscellaneous Income</td>
<td>$262,869</td>
<td>235,674</td>
<td></td>
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<tr>
<td>Accruals written off</td>
<td>$369,787</td>
<td>63,035</td>
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<tr>
<td><strong>Total Income</strong></td>
<td><strong>$2,902,244</strong></td>
<td><strong>3,421,946</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$574,578</td>
<td>319,531</td>
</tr>
<tr>
<td>Consultancy</td>
<td>$976,974</td>
<td>432,289</td>
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<tr>
<td>Travel &amp; Meetings</td>
<td>$232,598</td>
<td>401,864</td>
</tr>
<tr>
<td>Communication</td>
<td>$18,456</td>
<td>27,402</td>
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<tr>
<td>Courses Costs</td>
<td>$141,746</td>
<td>890,553</td>
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<td>Office Costs</td>
<td>$133,269</td>
<td>188,152</td>
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<td>Financial Costs</td>
<td>$11,072</td>
<td>34,100</td>
</tr>
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<td>Audit Fees</td>
<td>$19,260</td>
<td>12,248</td>
</tr>
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<td>General Administration</td>
<td>$33,421</td>
<td>13,220</td>
</tr>
<tr>
<td>Scholarship Fund</td>
<td>$108,498</td>
<td>153,551</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$162,464</td>
<td>153,551</td>
</tr>
<tr>
<td>Provision for Bad Debts - Trade Receivables</td>
<td>$336,420</td>
<td>65,746</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$2,748,756</strong></td>
<td><strong>2,538,656</strong></td>
</tr>
</tbody>
</table>

**Operating Surplus (Deficit) for the Period** | $153,488 | $883,290

---

### CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

**Cash flows from operating activities:**

- Surplus for the year: $153,488
- Adjustment for:-
  - Depreciation: $162,464
  - Profit on disposal of motor vehicles and equipment: $23,552

**Operating surplus before changes in working capital:** $315,952

**Accounts receivable:** $14,510

**Accounts payable:** ($199,282)

**Net cash (outflows) from operating activities:** $131,180

**Cash flows from investing activities:**

- Proceeds from sale of property, plant and equipment: $25,686
- Purchase of property and equipment: ($11,776)

**Cash inflow from investing activities:** $14,910

**Cash flows from financing activities:**

- Increase/(decrease) in donor funds: $456,901
- Increase/(decrease) in Overdraft: ($2,920)

**Net movement in cash and cash equivalents:** $573,385

**Cash and cash equivalents at the beginning of the year/period:** $423,778

**Cash and cash equivalents at the end of the year/period:** $997,163
DIRECTORS’ REPORT
FOR THE YEAR ENDED 30 JUNE 2011

The directors submit their report and the audited financial statements for year ended 30 June 2011 which show the state of affairs of The African Virtual University. The comparative figures to these financial statements are for 12 months ended 30 June 2010.

1. PRINCIPAL ACTIVITY
   The principal activity of the university is to provide high quality distance learning education at an affordable price by a mixed mode of delivery, including but not limited to satellite broadcasting and on-line learning.

2. STATUS
   The African Virtual University (AVU) was incorporated in Kenya on 11 May 2000 and registered as a Non-Governmental Organisation under Section 10 of the Non-Governmental Organisations Act. On 14 August 2002, a charter was signed establishing the AVU as an Inter-Governmental Organisation to which section 9 of the Privileges and Immunities Act (Chapter 179, laws of Kenya) applies. On 31 March 2006, AVU changed its status from a Non-Governmental Organisation to an International Organisation, to which the above laws still apply.

3. RESULTS
   The results for the year are set out on page 6.

4. DIRECTORS
   The directors who served during the year and to the date of this report were:

   The AVU Board of Directors (BoD)
   Prof Rogerio Uthui
   Dr Gregoire Njejimana
   Prof Suleiman Gulaid
   Prof. Jean Koulidiati
   Prof. Ezra K. Maritim
   Prof. Ann Floyd
   Prof Larry Cooperman
   Dr Bakary Diallo

   Representative for Southern Africa Region
   Universidade Pedagogica, Mozambique – Chair
   Representative for Central Africa Region
   Université Lumière de Bujumbura – Vice Chair
   Representative for Eastern Africa Region
   Amoud University – Member
   Representative of West Africa Region
   Former President, University of Ouagadougou
   Co-opted member
   Strategic Partner representing Academia
   Director, Open Course Ware, Irvine California
   Rector - African Virtual University and the
   Secretary to the Board

Audited Accounts 2010

The AVU EXECUTIVE BOARD
The Chair of the Board of Directors
The Vice Chair of the Board of Directors
Member
Member
Secretary to the Board

Professor Rogério Uthui
Dr Grégoire Njejimana
Professor Suleiman Gulaid
Professor Ezra Maritim and
The Rector, Dr Bakary Diallo

5. AUDITORS
   Ernst & Young have expressed their willingness to continue in office.

By the order of the Board

Rector
09 Dec 2011
STATEMENT OF DIRECTORS’ RESPONSIBILITIES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

The directors’ responsibility is to prepare financial statements for each financial year which present fairly the state of affairs of the organisation as at the end of the financial year and of its operating results for that year. The directors are also responsible for ensuring that the organisation keeps proper accounting records which disclose, with reasonable accuracy, the financial position of the organisation. They are also responsible for safeguarding the assets of the organisation.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. The directors are of the opinion that the financial statements present fairly the state of the financial affairs of the organisation and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

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

DIRECTOR

DIRECTOR

09 Dec 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS OF THE AFRICAN VIRTUAL UNIVERSITY (AVU)

We have audited the accompanying financial statements of The African Virtual University (AVU), set out on pages 5 to 18, which comprise the balance sheet as at 30 June 2011, income and expenditure statement, statement of changes in fund balance, and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS’ RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly the financial position of African Virtual University (AVU) as of 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Nairobi

[Signature]
### INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
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<tr>
<td>Donations and Grants</td>
<td>7</td>
<td>1,009,633</td>
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<tr>
<td>Fee Income</td>
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<td>122,150</td>
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<tr>
<td>Short Courses</td>
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<td>Participation Fees</td>
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<td>43,500</td>
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<td>Miscellaneous Income</td>
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<td>146,621</td>
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<tr>
<td>Accruals written off / Back</td>
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<td>-</td>
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<td><strong>Total Income</strong></td>
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<td>213,576</td>
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<tr>
<td><strong>EXPENSES</strong></td>
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<td></td>
</tr>
<tr>
<td>Staff Costs</td>
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<td>Consultancy</td>
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<td>Travel &amp; Meetings</td>
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<td>Communication</td>
<td></td>
<td>15,828</td>
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<tr>
<td>Courses Costs</td>
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<td>24,301</td>
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<td>Office Costs</td>
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<td>112,474</td>
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<td>Financial Costs</td>
<td></td>
<td>6,792</td>
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<td>Audit Fees</td>
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<tr>
<td>General Administration</td>
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<td>56,871</td>
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<tr>
<td>Scholarship Fund</td>
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<td>251,448</td>
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<td>Depreciation</td>
<td></td>
<td>129,332</td>
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<tr>
<td>Provision for Bad Debts – Trade Receivables</td>
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<td>-</td>
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<tr>
<td><strong>TOTAL EXPENDITURE</strong></td>
<td></td>
<td>1,383,558</td>
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<tr>
<td><strong>Operating Surplus /(Deficit) for the Period</strong></td>
<td></td>
<td>(160,349)</td>
</tr>
</tbody>
</table>

### BALANCE SHEET
AS AT 30 JUNE 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>2</td>
<td>195,841</td>
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<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
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<td></td>
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<tr>
<td>Employee Payables</td>
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<td>Accounts Payable</td>
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<tr>
<td>Bank Overdraft</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>626,590</td>
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<tr>
<td><strong>CURRENT ASSETS</strong></td>
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<td></td>
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<tr>
<td>Accounts Receivable</td>
<td></td>
<td>143,287</td>
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<tr>
<td>Prepayments</td>
<td></td>
<td>14,778</td>
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<tr>
<td>Deposits</td>
<td></td>
<td>9,001</td>
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<tr>
<td>Bank balances and cash</td>
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<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>124,264</td>
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<tr>
<td><strong>FUND BALANCE AND LIABILITIES</strong></td>
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<tr>
<td><strong>Fund balance</strong></td>
<td></td>
<td>544,279</td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCE</strong></td>
<td></td>
<td>626,590</td>
</tr>
</tbody>
</table>

The financial statements were approved by the Board of Directors on 2011 and signed on its behalf by:-

\[Signature\]   (\[Signature\])  Directors

The financial statements were approved by the Board of Directors on 2011 and signed on its behalf by:-

[Signature]   [Signature]   Directors
CASHFLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(160,349)</td>
<td>153,488</td>
</tr>
<tr>
<td>Adjustments for:-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>129,332</td>
<td>162,464</td>
</tr>
<tr>
<td>Profit on disposal of property, plant and Equipment</td>
<td>(763)</td>
<td>-</td>
</tr>
<tr>
<td>Opening Balance Adjustments</td>
<td>(141,502)</td>
<td>-</td>
</tr>
<tr>
<td>Operating surplus before changes in working capital</td>
<td>(173,282)</td>
<td>315,952</td>
</tr>
<tr>
<td>Accounts receivables</td>
<td>(27,557)</td>
<td>14,510</td>
</tr>
<tr>
<td>Accounts payables</td>
<td>48,433</td>
<td>(199,282)</td>
</tr>
<tr>
<td>Net cash (outflows)/ inflows from operating activities</td>
<td>(152,406)</td>
<td>131,180</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>763</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of Property, Plant and Equipment</td>
<td>(17,438)</td>
<td>(11,776)</td>
</tr>
<tr>
<td>Net Cash (outflows)/ inflow from investing activities</td>
<td>(16,675)</td>
<td>(11,776)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(decrease) in donor funds</td>
<td>564,399</td>
<td>456,901</td>
</tr>
<tr>
<td>Increase/(decrease) in Overdraft</td>
<td>- (2,920)</td>
<td></td>
</tr>
<tr>
<td>Net Cash (outflows)/ inflow from financing activities</td>
<td>564,399</td>
<td>453,981</td>
</tr>
<tr>
<td>Net movement in cash and cash equivalents</td>
<td>(733,481)</td>
<td>573,385</td>
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<tr>
<td>Cash and cash equivalents at the beginning of the year/period</td>
<td>997,163</td>
<td>423,778</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the year/period</td>
<td>263,682</td>
<td>997,163</td>
</tr>
</tbody>
</table>
Annual Report
& Financial Statements

AFRICAN VIRTUAL UNIVERSITY
UNIVERSITE VIRTUELLE AFRICAINE
UNIVERSIDADE VIRTUAL AFRICANA