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**ANNUAL ACCOUNTS**  
**30TH JUNE**  
**2000**

**Kenya Accountants and  
 Secretaries National  
 Examinations Board**

Kasneb Towers  
 Upper Hill,  
 Off Hospital Road

573  
 CA/NEB

**Report of the Auditor-General (Corporations)  
on the Accounts of Kenya Accountants and Secretaries  
National Examinations Board for the year ended 30 June 2000**

I have examined the Accounts of Kenya Accountants and Secretaries National Examinations Board for the year ended 30 June 2000 in accordance with Section 29 (2) of the Exchequer and Audit Act, (Cap 412). I have obtained all the information and explanations required for the purpose of the audit. Proper books of account have been kept by the Board and the Accounts, which have been prepared under the historical cost convention, are in agreement therewith and comply with the Accountants Act, (Cap 531).

In my opinion, the Accounts, when read together with the Notes thereon, present fairly the financial state of affairs of the Board as at 30 June 2000 and of its surplus and cash flows for the year then ended.

**S.M. Maluki**  
**Auditor-General (Corporations)**

13 March, 2001.

KENYA NATIONAL ASSEMBLY

Accession: 10012913

Call No: 657-3 KABNEB



**Kenya Accountants and Secretaries  
National Examinations Board  
BALANCE SHEET AS AT 30 JUNE 2000**

	<b>2000 Sh.</b>	<b>1999 Sh.</b>
General Fund	<u>95,146,248</u>	<u>81,297,815</u>
<b>REPRESENTED BY:</b>		
<b>FIXED ASSETS (Note 5)</b>	<u>68,349,991</u>	<u>66,792,497</u>
<b>CURRENT ASSETS</b>		
Sundry debtors and prepaid expenses	6,101,785	2,238,838
Treasury Bills and term deposits	28,131,821	14,406,126
Balance at bank (Note 4)	4,238,416	7,252,837
Cash in hand	1,687,843	809,139
	<u>40,159,865</u>	<u>24,706,940</u>
<b>CURRENT LIABILITIES</b>		
Sundry creditors and accrued expenses	13,363,608	10,201,622
	<u>13,363,608</u>	<u>10,201,622</u>
<b>NET CURRENT ASSETS</b>	<u>26,796,257</u>	<u>14,505,318</u>
	<u>95,146,248</u>	<u>81,297,815</u>

**CHAIRMAN: F.N. KIBERA**

**SECRETARY: E.K. GITAU**

**DATE: 22 September, 2000.**

# Kenya Accountants and Secretaries National Examinations Board

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2000

	2000 Sh.	1999 Sh.
<b>INCOME FROM OPERATIONS</b>		
Examinations entry fees	81,895,603	62,568,374
Registration fees	22,406,820	17,238,156
Annual registration renewal fees	24,429,261	21,650,889
Exemption fees	3,803,860	2,586,443
Sale of past question papers	529,989	515,526
<b>(a)</b>	<u>133,065,533</u>	<u>104,559,388</u>
<b>EXPENDITURE ON OPERATIONS</b>		
Examinations and invigilation honoraria	22,064,366	15,108,965
Examination prizes	96,500	66,000
Rent of examination halls expenses	777,400	412,200
Data processing expenses	1,198,748	911,996
Printing and stationery expenses	13,551,182	13,377,427
Local travelling & transport expenses	3,580,431	2,812,640
Long distance travelling & transport expenses	1,723,022	1,643,871
Postage and telephone	3,719,333	3,646,412
Salaries and Wages	38,568,948	31,995,734
Pension and benefits	5,496,214	3,005,791
Education and training	1,249,681	1,401,072
Repairs and renewals	266,288	452,474
Auditors remuneration	120,000	128,000
Insurance	748,679	645,963
Sundry expenses	1,849,429	2,221,584
Bank charges	522,115	388,495
Honoraria to members	1,505,524	1,206,264
Publicity, promotion, marketing and communication	3,147,734	2,750,830
Students journal – KASNEB Newslines	6,200,500	4,302,582
Legal expenses	-	-
Ground rent and land rates	587,057	407,082
Office rent – notional	3,548,880	3,548,880
<b>(b)</b>	<u>110,522,031</u>	<u>90,434,262</u>
<b>Surplus from operations (a-b)</b>	<b>(c)</b>	<b>(c)</b>
	<u>22,543,502</u>	<u>14,125,126</u>
<b>INCOME FROM OTHER SOURCES</b>		
Student identity card fees	3,115,492	3,430,425
Interest earned	3,181,968	2,560,861
Rental income – other tenants	2,149,108	1,344,564
Rental income – notional	3,548,880	3,548,880
Miscellaneous income	-	43,500
Sub-total	<b>(d)</b>	<b>(d)</b>
	<u>11,995,448</u>	<u>10,928,230</u>
<b>EXPENDITURE ON OTHER ITEMS</b>		
Student identity card expenses	2,729,082	3,321,388
Insurance and maintenance of Kasneb Towers	3,217,419	3,303,254
Depreciation	7,094,067	5,050,971
Contribution to pension fund	1,000,000	1,000,000
Sub-Total	<b>(e)</b>	<b>(e)</b>
	<u>14,040,568</u>	<u>12,675,613</u>
<b>Surplus (deficit) from other sources (f) = (d-e)</b>	<b>(f)</b>	<b>(f)</b>
	<u>(2,045,120)</u>	<u>(1,747,383)</u>
<b>SPECIAL EXPENDITURE ITEM</b>		
<b>Strategic plan implementation</b>	4,069,205	3,603,485
<b>30 years celebrations</b>	2,580,744	-
<b>(g)</b>	<u>6,649,949</u>	<u>3,603,485</u>
<b>Excess of income over expenditure (h) = (e+f-g)</b>	<b>(h)</b>	<b>(h)</b>
	<u>13,848,433</u>	<u>8,774,258</u>
<b>GENERAL FUND BALANCE</b>		
Excess of income over expenditure	81,297,815	72,523,557
	13,848,433	8,774,258
	<u>95,146,248</u>	<u>81,297,815</u>

**Kenya Accountants and Secretaries  
National Examinations Board  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2000**

		<b>2000 Sh.</b>	<b>1999 Sh.</b>
Cash inflow from operations	(i)	13,848,433	8,774,258
<b>Adjustment for:</b>			
Depreciation	(ii)	<u>7,094,067</u>	<u>5,050,971</u>
Operating surplus before working capital changes (i + ii)	(iii)	20,942,500	13,825,229
Decrease (increase) in sundry debtors and prepaid expenses	(iv)	(3,862,947)	227,714
Increase (decrease) in sundry creditors and accrued expenses	(v)	<u>3,161,986</u>	<u>3,240,246</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES (iii + iv + v)	(vi)	20,241,539	17,293,189
<b>Investment activities</b>			
Purchase of fixed assets	(vii)	(8,651,561)	(8,362,225)
Disposal of fixed asset	(viii)	<u>—</u>	<u>873,236</u>
INCREASE IN CASH AND CASH EQUIVALENTS (vi + vii + viii)	(ix)	<u>11,589,978</u>	<u>9,804,200</u>
<b>CASH AND CASH EQUIVALENTS</b>			
Increase in cash and cash equivalents		11,589,978	9,804,200
Cash and cash equivalent at the beginning of the year		<u>22,468,102</u>	<u>12,663,902</u>
Cash and cash equivalent at the end of the year	(x)	<u>34,058,080</u>	<u>22,468,102</u>
<b>The closing balance of item No. (x) is represented by:</b>			
Treasury Bills and term deposits		28,151,821	14,406,126
Balance at bank ( <b>Note 4</b> )		4,238,416	7,252,837
Cash in hand		<u>1,667,843</u>	<u>809,139</u>
		<u>34,058,080</u>	<u>22,468,102</u>

**Kenya Accountants and Secretaries  
National Examinations Board  
NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2000**

1. **ESTABLISHMENT**

The Board is established under Section 14(1) of the Accountants Act (Cap. 531) of the Laws of Kenya.

2. **INCOME TAX**

The income of the Board is exempt from tax by virtue of Legal Notice No. 116/1975.

3. **ACCOUNTING POLICIES**

(a) **Accounting convention**

The accounts are prepared under the historical cost convention.

(b) **Fixed assets and depreciation**

Fixed assets are stated at cost less depreciation.

Depreciation is calculated on the straight line basis at annual rates estimated to write off each asset over the term of its useful life.

The annual rates are:

(i)	Electronic data processing equipment	25%
(ii)	Partitions and fittings	20%
(iii)	Office furniture and desks & chairs	20%
(iv)	Machinery and office equipment	20%
(v)	Motor vehicles	25%
(vi)	Leasehold land and building	2.5%

(c) Examination fees are accounted for in the year in which the relevant examination takes place. No value is placed on stocks of examination stationery and past examination papers.

(d) Other fees income is accounted for as it is received by the Board. Refunds are accounted for in the year in which they are repaid to students and candidates.

(e) Interest income is accounted for as it is received.

4. **BALANCE AT BANK**

Included in the balance at bank was a sum of the proceeds of treasury bills received on 26 June 2000. The money was deposited in the current account awaiting further investment.

5. **FIXED ASSETS**

<b>Cost</b>	<b>Leasehold Land and Building</b>	<b>Electronic Data Processing Equipment</b>	<b>Partitions and Fittings</b>	<b>Office Furniture and Desks &amp; Chairs</b>	<b>Machinery and Office Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>Sh.</b>	<b>Sh.</b>	<b>Sh.</b>	<b>Sh.</b>	<b>Sh.</b>	<b>Sh.</b>	<b>Sh.</b>
At 1 July 1999	65,455,775	12,698,748	3,529,575	1,251,149	2,989,226	10,344,382	96,268,855
Additions during the year	387,836	923,204	1,272,714	583,450	1,665,915	3,818,442	8,651,561
<b>Gross Book Value</b>	<b>65,843,611</b>	<b>13,621,952</b>	<b>4,802,289</b>	<b>1,834,599</b>	<b>4,655,141</b>	<b>14,162,824</b>	<b>104,920,416</b>
<b>Depreciation:</b>							
At 1 July 1999	9,045,172	7,610,214	3,451,353	817,578	1,078,666	7,473,375	29,476,358
Charge for the year	1,646,090	2,076,483	289,604	246,454	881,381	1,954,055	7,094,067
Accumulated depreciation	10,691,262	9,686,697	3,740,957	1,064,032	1,960,047	9,427,430	36,570,425
<b>Net Book Value</b>	<b>55,152,349</b>	<b>3,935,255</b>	<b>1,061,332</b>	<b>770,567</b>	<b>2,695,094</b>	<b>4,735,394</b>	<b>68,349,991</b>
at 30 June 2000							