



*efficiently managing air safety*

**KENYA CIVIL AVIATION AUTHORITY**

The background of the cover is a photograph of an airplane's wing and tail section, viewed from a low angle looking up. The sky is a deep blue with wispy white clouds. The wing is white with black markings, including '4520' and 'NO 578'.

**ANNUAL REPORT &  
FINANCIAL STATEMENTS  
2013**



*efficiently managing air safety*

**KENYA CIVIL AVIATION AUTHORITY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 30 JUNE 2013

**Kenya Civil Aviation Authority**

KAA Complex, Jomo Kenyatta International Airport,  
P.O. Box 30163 - 00100, Nairobi Kenya.

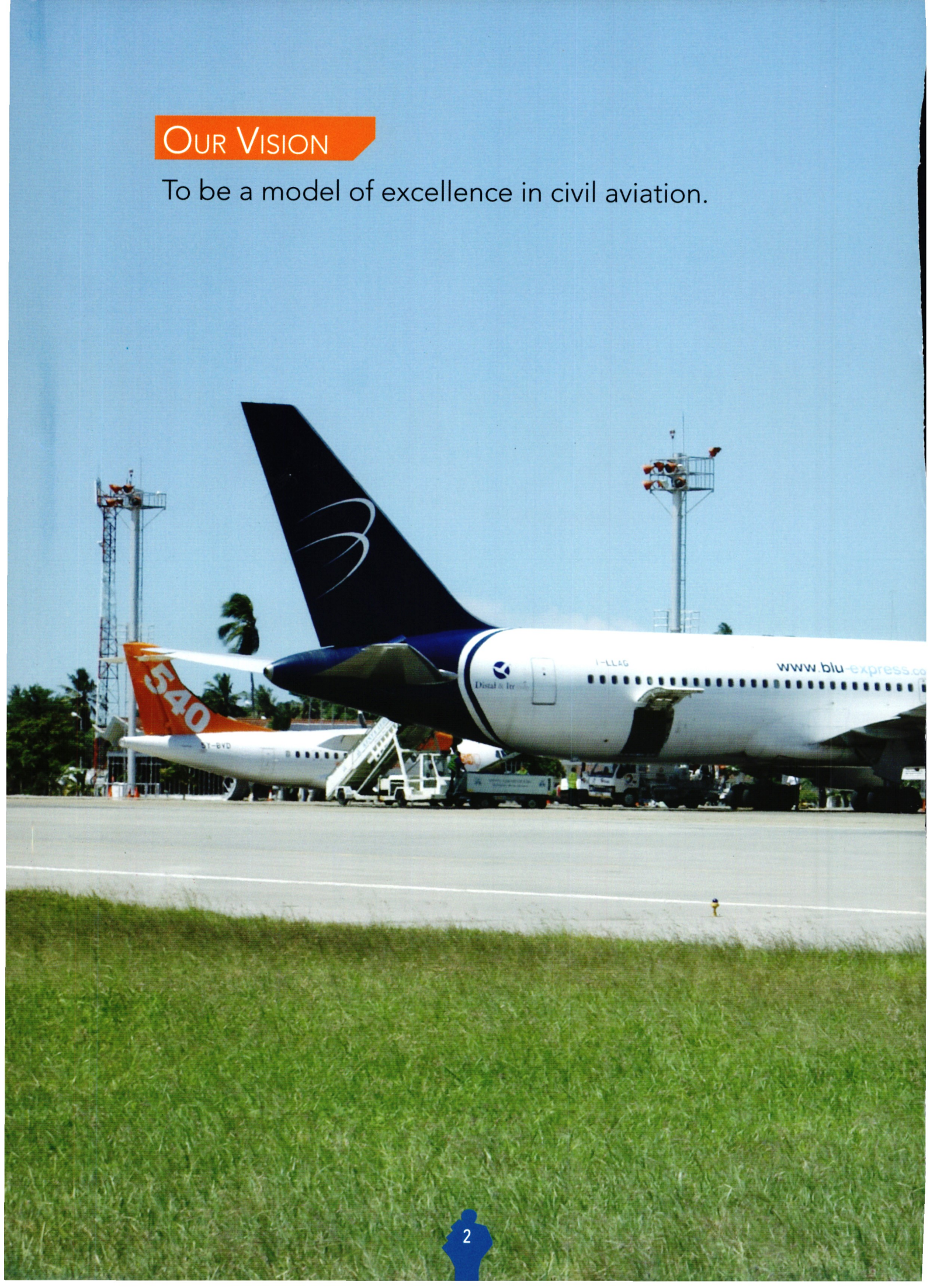
Tel: (+254-20) 827470 - 5 · Fax: (+254-20) 827808, 822300

E-mail: [info@kcaa.or.ke](mailto:info@kcaa.or.ke) · Website: [www.kcaa.or.ke](http://www.kcaa.or.ke)



# OUR VISION

To be a model of excellence in civil aviation.



## OUR MISSION

To develop, regulate and manage a safe, efficient and effective civil aviation system in Kenya.



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## CORPORATE INFORMATION

### VISION

To be a model of excellence in civil aviation

### MISSION

To develop, regulate and manage a safe, efficient and effective civil aviation system in Kenya.

### CORE VALUES

- **Commitment to Safety and Security:** We endeavour to maintain a safe and secure environment in all areas of our operations and entire civil aviation industry within our jurisdiction
- **Customer Focus:** We undertake to embrace, meet, delight and exceed our customers' expectations through passionate pursuit of service excellence. We shall invest on our people and systems, to continuously enhance quality service provision to our customers as a priority.
- **Commitment to Fairness and Equity:** We commit to be fair and promote equity in all our activities. We enforce our corporate Non-discrimination policy at an arm's length.

We shall promote the Government's efforts to avert corruption in the country by ensuring zero tolerant to corruption. KCAA will strive to be a just, accountable and performance driven Authority.

- **Commitment to Staff:** We undertake to continuously invest in our human capital to enhance professionalism and integrity.
- **Creativity and Innovativeness:** We recognize and encourage initiative, creativity and innovation aimed at adding value to our operations and supply chain command.
- **Respect for Diversity:** We recognize and appreciate differences in gender, race, disability, region, age and generation. The differences complement and bind us together as one family, KCAA.



## BACKGROUND OF KCAA

The Civil Aviation (Amendment) Act was enacted on 24<sup>th</sup> October 2002. The Act received Presidential assent and became effective on the same day, 24<sup>th</sup> October 2002. This Act amended the Civil Aviation Act Cap.394 of the laws of Kenya and established the Kenya Civil Aviation Authority (KCAA) as an autonomous corporate body that took over the functions of the Directorate of Civil Aviation (DCA) and the licensing of air services hitherto under Civil Aviation Board (CAB). The Act has now been superseded by the Civil Aviation Act 2013.

KCAA performs two broad key functions. The first is to provide air navigation services in Kenya's Airspace also referred to as the Nairobi Flight Information Region. The second is to regulate the aviation industry in Kenya. In addition to this, KCAA through the East African School of Aviation offers training for aviation personnel.

The mandate of the KCAA is essentially embedded in its functions/responsibilities, which are enumerated in the Civil Aviation Act 2013. These functions are enumerated as follows:

- (a) Licensing of air services and production of accurate, timely, comprehensive and relevant air transport information for planning and decision making purposes;
- (b) Provision of the air navigation services, planning, development and formulation for the safe and efficient utilization of Kenyan airspace and coordination and direction of search and rescue services;
- (c) Establishment and maintenance of a system of aircraft registration and marking as well as registration of rights in aircraft;
- (d) Securing sound development of the civil aviation industry in Kenya and advising the Government on matters concerning civil aviation;
- (e) Provision of services and facilities relating to aircraft accident and incident investigation;
- (f) Safety and technical regulation of civil aviation including certification of aircraft operators; enforcement of approved technical standards of aircraft; licensing and monitoring of aeronautical personnel and approval, certification and licensing of aircraft maintenance organizations and training institutions;
- (g) Dealing with incidents of unlawful interference with aviation security;

- (h) Ensuring the integrity of the systems, equipment and facilities of KCAA and provision of technical services for the design, installation and modification of electronic, radio and other equipment used in the provision of air navigation services;
- (i) Issuance and dissemination of publications including notices to airmen, aeronautical information publications and circulars, notices to licensed aircraft maintenance engineers and to owners of aircraft and manuals of air traffic control instructions;
- (j) Establishment, management and operation of training institutions for purposes of the Authority;

KCAA carries out its functions in a manner consistent with the Chicago Convention on International Civil Aviation, Annexes to the Convention relating to international Standards and Recommended Practices (SARPs), and other international conventions and protocols relating to civil aviation, to which the Republic of Kenya is a party. KCAA is also expected to perform any obligations required by any agreement, treaty or arrangement between Kenya and any other country, inter-Governmental organization or any other body with respect to the safety, regularity and efficiency of air navigation and aviation safety in general.

The Act also stipulates that KCAA should coordinate with other Government agencies such as the Kenya Airports Authority, Kenya Ports Authority, Kenya Defence Forces and the Police Service in the discharge of its responsibility for aviation safety and security.



# AUDITORS AND BANKERS

## AUDITORS

### **Kenya National Audit Office**

P.O Box 30084-00100

**NAIROBI, KENYA**

## BANKERS

### **National Bank of Kenya**

Jomo Kenyatta International Airport Branch

P.O Box 30763 – 00100, GPO

**NAIROBI, KENYA**

### **Commercial Bank of Africa**

Cargo Handling Facility

Jomo Kenyatta International Airport Branch

P.O Box 30437 - 00100 GPO

**NAIROBI, KENYA**

### **Standard Chartered Bank**

Kenyatta Avenue Branch

P.O Box 30001

**NAIROBI, KENYA**

### **CFC Stanbic Bank**

Industrial Area Branch

P.O Box 30550-00100,

**NAIROBI, KENYA**

### **Equity Bank Ltd**

Community Corporate Branch

P.O Box 75104,

**NAIROBI, KENYA**

## HEAD OFFICE AND MAIN STATIONS

### Head Office

#### KAA Complex

#### Jomo Kenyatta International Airport

P.O Box 30163, 00100 GPO

#### NAIROBI, KENYA

Tel: (020) 827470-5

Fax: (020) 822300

Website: [www.kcaa.or.ke](http://www.kcaa.or.ke)

E-mail: [info@kcaa.or.ke](mailto:info@kcaa.or.ke)

### East African School of Aviation

P.O Box 30689

#### NAIROBI, KENYA

Tel: (020) 823602-7 Fax: (020) 823699

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

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

### Jomo Kenyatta International Airport

P.O Box 19031

#### NAIROBI, KENYA

Tel: (020) 827100 Fax: (020) 827102

E-mail: [jomo@kcaa.or.ke](mailto:jomo@kcaa.or.ke)

### Moi International Airport

P.O Box 93939

#### MOMBASA, KENYA

Tel: (041) 3433008 Fax: (041) 3432069

E-mail: [mombasa@kcaa.or.ke](mailto:mombasa@kcaa.or.ke)

### Wilson Airport

P.O Box 30163

#### NAIROBI, KENYA

Tel: (020) 606246 Fax: (020) 604692

E-mail: [Wilson@kcaa.or.ke](mailto:Wilson@kcaa.or.ke)

### Malindi Airport

P.O Box 18

#### MALINDI, KENYA

Tel: (042) 30463 Fax: (042) 30428

E-mail: [malindi@kcaa.or.ke](mailto:malindi@kcaa.or.ke)

### Kisumu Airport

P.O Box 431

#### KISUMU, KENYA

Tel: (057) 2024499 Fax: (057) 2021035

E-mail: [Kisumu@kcaa.or.ke](mailto:Kisumu@kcaa.or.ke)

### Eldoret Airport

P.O Box 3036

#### ELDORET, KENYA

Tel: (053) 2062966 Fax: (053) 2062965

E-mail: [eldoret@kcaa.or.ke](mailto:eldoret@kcaa.or.ke)

### Lokichoggio

Tel: (054) 32292

#### LOKICHOGGIO, KENYA

E-mail: [loki@kcaa.or.ke](mailto:loki@kcaa.or.ke)

# BOARD OF DIRECTORS

No	Director	Nationality	Position	Date of Appointment	Occupation
1.	Dr. Kevin K. Kariuki	Kenyan	Chairman, KCAA Board of Directors	10 <sup>th</sup> April 2012	Engineer, Industrial Promotion Services (Kenya) Ltd
2.	Mr. Nduva Muli, EBS	Kenyan	Director	Ex-officio	PS - Transport, Ministry of Transport & Infrastructure
3.	Col (rtd) Hilary K Kioko, MBS, OGW	Kenyan	Director General, KCAA	22 July 2009	Director General, Kenya Civil Aviation Authority
4.	Mr. Mutea Iringo, EBS	Kenyan	Director	Ex-officio	PS, Ministry of Interior
5.	Dr Kamau Thugge	Kenyan	Director	Ex-officio	PS, National Treasury
6.	Mr. Muriithi Ndegwa, OGW	Kenyan	Director	Ex-officio	MD Kenya Tourist Board
7.	Mr. Gichuhi S. Gichohi, MBS	Kenyan	Director	10 <sup>th</sup> April 2012	Equity Bank Ltd, NHIF Corporate Branch
8.	Mr Raphael Nzomo, MBS	Kenyan	Director	10 <sup>th</sup> April 2012	Afrika Aviation Services, Nairobi
9.	Capt. Umar F. Husseinali	Kenyan	Director	10 <sup>th</sup> April 2012	Fafi Water & Livestock Co. Ltd
10.	Ms. Lucy Wanjiru Karume	Kenyan	Director	10 <sup>th</sup> April 2012	Jacaranda Hotels



## BOARD COMMITTEES

The Board Committees as at the date of this report comprise:

<b>Licensing of Air Services &amp; Technical Committee</b>	<b>Finance and Human Capital Committee</b>	<b>Audit Committee</b>
<b>Composition</b>	<b>Composition</b>	<b>Composition</b>
6 Directors including Director General	5 Directors including the Director General	5 Directors
<b>Main Function</b>	<b>Main Function</b>	<b>Main Function</b>
Considering applications for air service licenses including variations thereof, and issuing or denying such licenses; All air transport/economic regulation matters; Providing guidance on air transport policy in Kenya. Ensuring engineering standards and monitoring engineering projects; Monitoring air navigation (and other equipment) availability and serviceability; and, Monitoring the Aviation safety and aviation Security oversight functions of KCAA including the licensing of aviation personnel matters and all matters incidental to the functions of KCAA including examinations conducted by KCAA.	Reviewing and monitoring the KCAA financial position on behalf of the Board, including review of the liquidity status, all the Authority's Accounts, Budgets, financial statements and statutory reports. Ensuring compliance with the financial reporting requirements and the proper keeping of all the financial records of the Authority. The Committee is responsible for considering and processing all human resource and administration matters that require to be processed through the Board, including recruitment, promotions, disciplinary action, as well as issues relating to staff training, development, remuneration, welfare and benefits.	Consider and process on behalf of the Board all matters relating to audit, audit queries and audit Management letters from the Kenya National Audit Office or duly appointed external auditors; and,  Considering matters of quality assurance of systems and processes in KCAA operations and reviewing the risk management framework and the periodic performance contract reports.
<b>Frequency of meetings per annum</b>	<b>Frequency of meetings per annum</b>	<b>Frequency of meetings per annum</b>
Quarterly or on need basis	Quarterly or on need basis	Quarterly or on need basis
<b>Chairman</b>	<b>Chairman</b>	<b>Chairman</b>
Capt. Umar F. Husseinali	Mr. Stephen G. Gichohi MBS	Mr. Raphael Nzomo, MBS
<b>Members</b>	<b>Members</b>	<b>Members</b>
Mr. Nduva Muli EBS (or Alternate Director Mr. Nicholas Bodo)  Mr. Mutea Iringo EBS(or Alternate Director Mr. Daniel Ndege)  Mr. Muriithi Ndegwa MD, Kenya Tourist Board or Alternate (Mr. Allan Njoroge)  Ms Lucy W. Karume  Director General	Mr. Nduva Muli EBS (or Alternate Director Nicholas Bodo)  Dr Kamau Thugge (or Alternate Director Ms Eunice Kigen),  Mr. Muriithi Ndegwa MD, Kenya Tourist Board or Alternate (Mr. Allan Njoroge)  Director General	Mr. Nduva Muli EBS (or Alternate Director Mr. Nicholas Bodo)  Mr. Mutea Iringo EBS(or Alternate Director Mr. Daniel Ndege)  Capt. Umar F. Husseinali.  Ms Lucy W. Karume



# CORPORATE GOVERNANCE STATEMENT

Corporate Governance is the process by which corporations are directed and controlled with the objective of increasing stake/shareholders value and satisfying them. This is achieved by establishing a system of clearly defined authorities and responsibilities, which result in a system of internal controls that is regularly tested to ensure effectiveness.

At Kenya Civil Aviation Authority, the Board places a high degree of importance on maintaining a sound control environment and applying the highest standards of business integrity and professionalism in all areas of the Authority's activities. The Board has adopted the Code of Best Practice for Corporate Governance issued by the Centre for Corporate Governance (Kenya) as its benchmark in developing its corporate governance principles.

The Board is responsible for the governance of the Authority and conducts the business and operations of the Authority with integrity and in accordance with generally accepted corporate governance practices, based on transparency, accountability and responsibility.

## BOARD OF DIRECTORS

The composition of the Board is set out on page 10 .The Board has varied and extensive skills in the areas of aviation, business management and law. The Directors' responsibilities are set out in the Statement of Directors Responsibilities on page 20. The Directors are responsible for the development of internal financial controls, which give reasonable assurance against material mis-statements.

The Chairman provides the overall leadership to the Board without limiting the principle of collective responsibility for Board decisions. He acts as the link between the Board and the Director General and plays a leading role in consensus building between the Board members, the Director General and senior management. The Board has delegated the authority for day-to-day management to the Director General. It however retains the overall responsibility for decisions with regard to finances and operations of the Authority.





The Board meets quarterly and has a formal schedule of matters reserved to it. Board papers are generally circulated well in advance of the Board meetings by the Corporation Secretary. Directors are required to disclose all areas of conflict of interest to the Board and are excluded from voting on such areas. The key function of the Board is to guide and control the performance and management of the affairs of the Authority. This includes the duty to ensure that the functions of the KCAA are carried out in an efficient, transparent and ethical manner and that no particular person or body is given undue preference or subjected to any undue disadvantage. The Board considers and advises the Cabinet Secretary for Transport and Infrastructure on the development and maintenance of civil aviation policy framework and the objectives of KCAA. It considers and approves general performance targets, both strategic and business, and the annual budgets of the Authority.

The Board has power to control the use of and oversee the administration of assets of the Authority and also to determine the provisions to be made for capital and recurrent expenditure and for revenue reserves of the Authority.

The Board has appointed various standing Committees to which it has delegated certain responsibilities with the chairmen of the Committees reporting to it. The composition of the standing Committees is set out on page 11.

## KCAA BOARD COMMITTEES

### **LICENSING OF AIR SERVICES AND TECHNICAL COMMITTEE**

This Committee comprises of five non-executive directors (one of them as Chairman) and the Director General. The Committee is responsible for considering applications for air service licenses including variations, the development of the air transport policy in Kenya and Monitoring the Aviation safety and aviation Security oversight functions of KCAA including the licensing of aviation personnel matters and all matters incidental to the functions of KCAA including examinations conducted by KCAA. It meets quarterly or on need basis. The Secretary of the Committee is on rotational basis between the Director ASSR and the Director ANS. The head of the Air Transport Department coordinates all matters handled by the Committee dealing with Licensing of Air Services.

### **THE AUDIT COMMITTEE**

This Committee comprises of five non-executive directors (one of them as Chairman). The Committee is responsible for reviewing all matters relating to audit and quality assurance of systems and processes in KCAA operations. The Committee gives guidance on the audit queries raised in management and other letters or reports from Kenya National Audit office or the duly appointed external Auditors of the Authority. The Committee also gives guidance on the strategic plan and on the performance contract between KCAA and the Ministry of Transport and Infrastructure. The Committee meets on Quarterly and/or on need basis.

### **FINANCE AND HUMAN CAPITAL COMMITTEE**

The Committee comprises of five non-executive directors (one of them as Chairman) and the Director General. The Secretary to the Committee is the Director Corporate Services. The Committee deals with all human resource and administration matters that require to be considered by the Board, including recruitment, discipline and issues relating to staff benefits and welfare. The Committee is also responsible for ensuring compliance with financial reporting requirements and the proper keeping of all financial records. The Committee meets on Quarterly and/or on need basis.

### **DIRECTORS EMOLUMENTS**

The aggregate amount of emoluments paid to Directors for services rendered to the Authority during the Financial Year 2012-2013 are disclosed in note 4 to the financial statements.



# CHAIRMAN'S STATEMENT

## Kenya a Great Nation

The adoption of the new Constitution in the year 2010, which laid a strong foundation for political, social and economic spheres of our country, is a great achievement for the country. This is because the implementation of the new Constitution will provide us, and future generations, with more opportunities than the previous legal dispensation. This not only applies to KCAA but to Kenya as a whole.

The fiscal consolidation adopted by the Government in the Financial Year 2011/2012 was maintained in the financial year 2012/2013. To continue spurring growth, the Physical Infrastructure sector was allocated development expenditure of Ksh 215 billion during the current financial year. This is expected to grow as per the Medium Term Expenditure Framework estimates of Ksh 221 billion in 2014/2015 and to Ksh 227 billion in the financial year 2015/2016. This expenditure is expected to spur and sustain growth in the economy. (Source: Budget Policy Statement, April 2013).

Kenya's Real GDP grew by 4.6% in 2012 and this year it is expected to grow by 5.6%. During the first quarter of 2013 real GDP accelerated to 5.2% compared to 3.9% during the same quarter in 2012. The growth is attributed to increase in expenditure on infrastructure supported by the Government generated revenues. In future this will be supported by projects funded under public-private partnerships. The downside risks that may be experienced include adverse weather conditions and high prices due to inflationary pressures. However, the ongoing deliberate measures to contain inflation have continued to ease off inflationary pressures hence decline on overall inflation from 18.93% in December 2011 to 4.05% in May 2013. This is expected to decline further in the foreseeable future due to expected decrease in prices for food and fuel.

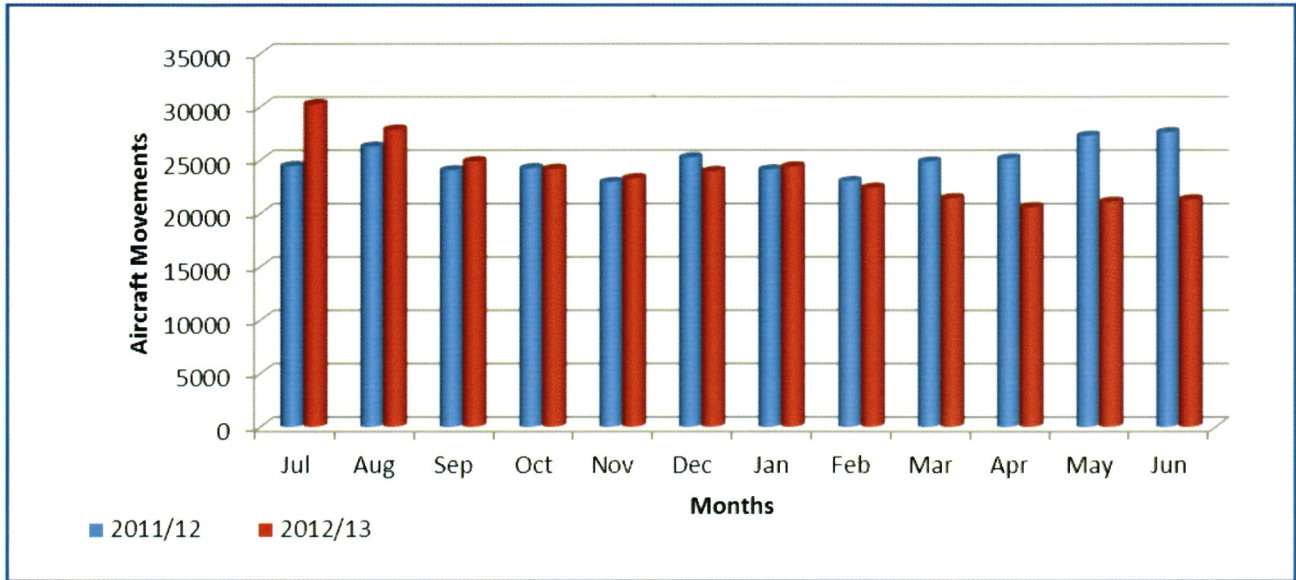
## Kenya's Aviation Industry

The Aviation industry registered a decline in growth over the period July 2012 to June 2013. This is illustrated below:

### 1. Aircraft movements

The statistics on Aircrafts movements during the FY 2011/2012 and 2012/2013 are as given in the table and diagram below respectively:

Item	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
<b>2011/12</b>	24466	26279	24073	24261	22966	25255	24126	23045	24879	25165	27315	27631	<b>299461</b>
<b>2012/13</b>	30251	27875	24900	24184	23304	23975	24405	22419	21450	20609	21119	21331	<b>285822</b>
<b>%change</b>	24%	6%	3%	0%	1%	-5%	1%	-3%	-14%	-18%	-23%	-23%	-5%



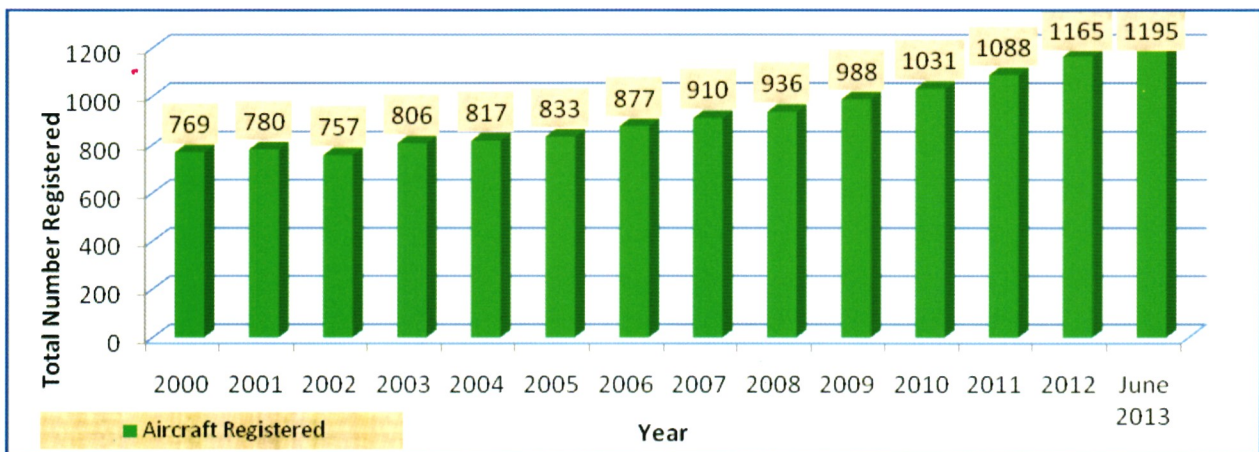
Source: KCAA 2013

The number of aircraft movements decreased by **5%** from **299,461** movements the previous financial period to **285,822** movements this current reporting period. The decrease in number of aircraft movements was mainly due the ongoing Euro crisis and enhanced international visitors' security concerns associated with the 2013 general elections.

## 2. Aircraft Registered in Kenya from 2000 to June 2013

The figure below indicates that there has been a continuous increase in aircrafts registration in Kenya. The period to June 2013 recorded 0.22% increase in comparison with the year 2012. The slow growth as compared to previous years was due to the effect of the Euro crisis, making availability of low cost aircrafts expensive and a cautious approach to investment in Kenya due to general elections earlier in the year.

**Figure 2: Aircraft registered to June 2013.**



Source: KCAA 2013



Based on the expected performance levels, the projected performances of all the airports in the country to the year 2013/2014 are as summarized in the table below:

Item	2009/10	2010/11	2011/12	2012/13	2013/14
<b>Aircraft (Both Domestic and International)</b>	211,234	239,734	273,269	257,930	265,417
<b>Passengers (Domestic, International and Transit)</b>	7,165,207	8,060,232	8,854,483	8,390,331	8,887,049
<b>Total Freight tonnes (Mail, General Cargo)</b>	265,076	270,770	309,095	275,853	299,788

Source: KCAA, 2013

The aviation industry in Kenya is therefore expected to grow steadily in the foreseeable future as demonstrated in the table above.

### **KCAA's Performance During the Period Under Review**

KCAA's performance for the year ended June 2013 was excellent, as evidenced by the Authority achieving a preliminary composite score of 2.8922 (self-evaluation results) which is categorized as very good in the Performance Contracting grading.

The Authority's most significant achievements in the recent past were:

- a) Successful implementation of the third year's activities of the Strategic Plan 2010-2015;
- b) Compliance with the ISO 9001:2008 Certification on all services offered by the Authority;
- c) Approval of the Civil Aviation Act No. 21 of 2013;
- d) Review of Regulations & Safety Policies and Guidance Materials beyond the targeted numbers for the financial year;
- e) Development of Standard Training Packages by the East African School of Aviation;
- f) 98.5% availability of Air Navigation equipment which was higher than the International Standards of 97.5%;
- g) Successful modernisation of Air Navigation Services equipment at the airports and the various installation sites;
- h) Successful implementation of new aviation charges with effect from November 2012;
- i) Successful implementation of new remuneration structure for KCAA Staff which contributes towards achievement of one of the Authority goals of recruiting and retaining qualified staff for execution of its mandate.

KCAA in collaboration with other East Africa Partner States has continued to harmonize regulations touching on various annexes of Chicago Convention, thus making it easier for operators to operate in the region.

The Authority's financial performance in the financial year ended 30<sup>th</sup> June 2013 improved compared to the previous year's performance. This is demonstrated by generated revenues exceeding target levels and well managed expenditure which resulted in a surplus situation.



## Future Outlook

The Board and Management of the KCAA remain highly optimistic in the future of the Authority, in view of its continued strong positioning in the aviation industry in the region. The successful follow-up mission by ICAO in May 2013 on USOAP Corrective Action Plan, continuous upgrading of equipment, improved staff motivation due to improved remuneration owing to the Authority's upgrading, together with continuous improvement on internal controls and processes, provides an assurance of a brighter future.

KCAA shall continue to position itself as a key actor in Kenya's economy in accordance with the new Constitutional dispensation and Vision 2030.

It is therefore with zeal that we begin the 2013/2014 financial year, as we continue to pursue our mission of developing, regulating and managing a safe, efficient and effective civil aviation system in Kenya.

On behalf of the Board, and on my own behalf, I would therefore like to commend the Management and all employees of KCAA for the good work undertaken in 2012/2013. I also express my gratitude to the KCAA Board of Directors, the Ministry of Transport & Infrastructure and the Government of Kenya for the ongoing invaluable support to the Authority. Last but by no means least, I acknowledge our increasingly discerning customers, who kept us on our toes, thereby occasioning improved service delivery and guaranteeing better value for money for all stakeholders.

*Asante sana.*



Dr. Kevin K. Kariuki, Ph.D., C.Eng. MIET

**Chairman, Board of Directors**

**KENYA CIVIL AVIATION AUTHORITY**



## REPORT OF THE DIRECTORS

The Directors submit this report together with the financial statements for the year ended 30 June 2013, in accordance with Section 14 of the State Corporations Act, Section 33 of the Civil Aviation Act, 2013 and Ministry of Finance circular ref: AG 3/088/Vol.IV/(71), which disclose the state of affairs of the Authority.

### PRINCIPAL ACTIVITIES

The Kenya Civil Aviation Authority ("KCAA") was established on 24<sup>th</sup> October 2002 by the Civil Aviation (Amendment) Act, 2002, now superseded by the Civil Aviation Act 2013, with the primary functions of the technical and economic regulation of civil aviation in Kenya, provision of air navigation services within the Nairobi Flight Information Region and Aviation Training.

### RESULTS

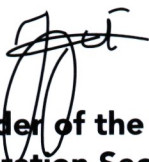
The surplus for the year after tax is Kshs 106,190,434 (Kshs 225,179,286 for the financial year 2011/12).

### DIRECTORS

The names of the directors who held office during the reporting year to the date of this report are set out on page 8.

### AUDITORS

Kenya National Audit Office audits the accounts of KCAA, in accordance to Section 14 of the State Corporations Act and Section 33 of the Civil Aviation Act, 2013.



**By Order of the Board  
Corporation Secretary**

**Nairobi  
September 2013**



## STATEMENT OF DIRECTORS' RESPONSIBILITY

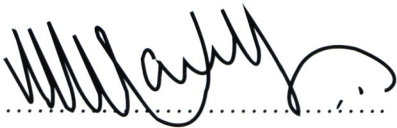
The State Corporations Act Cap.446 of the Laws of Kenya requires us to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Corporation/Authority as at the end of the financial year and of its operating results for that year. It also requires the Directors to ensure the Authority keeps proper accounting records, which disclose with reasonable accuracy the financial position of the Authority. The Board of Directors is also responsible for safeguarding the assets of the Authority.

In our quest to discharge our responsibilities under the State Corporations Act, as Directors of the Authority, we accept responsibility for the Annual Financial Statements made herein. We have put in place appropriate accounting policies embracing the accrual accounting system, which conforms to best practices of International Financial Reporting Standards.

We can state that to the best of our knowledge we are of the opinion that the financial statements herein give a true and fair view of the state of affairs of the Authority and of its operating results for the period under consideration.

The Directors further accept responsibility for presently maintaining accounting records that may be relied upon in the preparation of the financial statements, as well as, adequate systems of internal financial controls.

The Directors confirm that nothing has come to their attention that indicates that the Authority will not remain a going concern for at least the next twelve (12) months from the date of this statement.



**Dr Kevin K. Kariuki**  
CHAIRMAN



**Col (rtd) Eng Hilary K. Kioko, MBS,OGW**  
DIRECTOR GENERAL



# REPORT OF THE INDEPENDENT AUDITORS

Telephone: +254-20-342330  
 Fax: +254-20-311482  
 Email: [cag@kenao.go.ke](mailto:cag@kenao.go.ke)  
 Website: [www.kenao.go.ke](http://www.kenao.go.ke)

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE  
 P.O. Box 30084-00100  
 NAIROBI

## Kenya National Audit Office

### REPORT OF THE AUDITOR GENERAL ON KENYA CIVIL AVIATION AUTHORITY FOR THE YEAR ENDED 30 JUNE 2013

#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Kenya Civil Aviation Authority set out on pages 24 to 44, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

#### Management's Responsibility for the Financial Statements

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

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

#### Auditor - General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of section 15 (2) of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing.

Those standards require compliance with ethical requirements and that the audit be planned performed to obtain reasonable assurance about whether the financial statement 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 depends on the auditor's judgement, includes the assessment of the risk of material misstatement of the financial statement, 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 authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

## **Basis for Qualified Option**

### **Property, Plant and Equipment**

#### **(i) Land and Buildings**

As similarly reported in 2011 /2012, ownership documents for various assets belonging to the Authority including 31 housing units in Nyali, Mombasa, 13 units in Bamburi, Mombasa, 87 acres of land at the East African School of Aviation, Nairobi, 132 acres at the Central Transmitting Station along Mombasa Road and Miritini Staff Houses in Mombasa, were not made available for audit verification. Although according to information available the documents are under process at the Ministry of Lands, no reason has however been provided for the inordinate delay in having the documents issued.

#### **(ii) Properties Allocated to Third Parties**

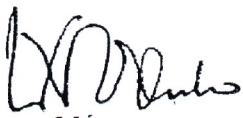
In addition, records available indicates that the following parcels of land belonging to the Authority were registered in the names of third parties:-

<b>Parcel of land</b>	<b>Measurement</b>	<b>Registered Owner</b>
Mitoto Andei-Ngai Ndeithya Settlement Scheme/161	13 acres	Individual
Bamburi Staff Housing	Not known	Individual
Central Stores in Nairobi	0.7733 hectares	Individual
East African School of Aviation	37 acres	Various

The circumstances under which the land was allocated and registered in the names of private individuals have not been explained.

### **Qualified Option**

In my option, except for the effects of the matter described in the Basis for Qualified Option paragraph, the financial statement present fairly, in all material respects, the financial position of the Authority as at 30 June 2013, and of its financial performance and its cash flows for the year then ended, in accordance with international Financial Reporting Standards and comply with the Kenya Civil Aviation Authority (Amendments) Act, 2002.



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

Nairobi  
15 April 2014

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH JUNE 2013


	Note	2013 Kshs	2012 Kshs
<b>REVENUE</b>			
Aviation Revenue	2	3,505,510,068	3,532,483,986
EASA Revenue	2	123,993,149	196,297,341
Other Income	2	130,482,379	53,365,673
		<b>3,759,985,596</b>	<b>3,782,147,000</b>
<b>EXPENDITURE</b>			
Personnel Costs	3	1,623,005,856	1,322,847,812
Operating Costs	4	648,131,193	544,512,636
Maintenance Costs	5	109,143,343	58,088,533
Finance & Other Costs	6	175,945,319	583,195,113
NCTIP & KTSSP Recurrent costs	6a	36,481,147	20,038,126
Depreciation	7	560,346,606	527,250,005
		<b>3,153,053,464</b>	<b>3,055,932,225</b>
<b>Net Surplus Before Tax</b>		<b>606,932,132</b>	<b>726,214,775</b>
Taxation	14(a)	(178,960,283)	-
Deferred Tax Liability	14(b)	(53,457,385)	-
Appropriation Reserve A/C	17	(268,324,030)	(501,035,489)
Net Surplus / (Deficit) After Tax and Approp Reserve		<b>106,190,434</b>	<b>225,179,286</b>
Surplus / (Deficit) B/F	16	2,463,406,134	2,792,102,011
Less 90% Net Surplus Treasury	16		(351,213,806)
Adjustment for Movt from Approp Reserve A/C	16	501,035,489	(202,661,358)
<b>Surplus /(Deficit) C/F</b>	16	<b>3,070,632,057</b>	2,463,406,134

# STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2013

	Note	2013 Kshs	2012 Kshs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	7	8,404,768,807	8,595,736,266
<b>Total non-Current Assets</b>		<b>8,404,768,807</b>	<b>8,595,736,266</b>
<b>Current Assets</b>			
Inventories	8	16,047,273	7,052,967
Debtors	9	433,861,233	610,372,982
Bank Interest Receivable	16(b)	11,365,307	-
Prepayments	10	26,070,842	27,387,365
Staff advances/Imprests	11	18,301,608	9,350,225
Cash and Bank Balances	15	1,831,423,771	1,084,883,246
<b>Total Current Assets</b>		<b>2,337,070,034</b>	<b>1,739,046,785</b>
<b>Total Assets</b>		<b>10,741,838,841</b>	<b>10,334,783,051</b>
<b>CAPITAL AND RESERVES</b>			
Government Grant	12	471,333,333	333,333,333
Surplus & (Deficit) Account	16(a)	3,070,632,057	2,463,406,134
Appropriation Reserve A/C	17	268,324,030	501,035,489
Revaluation Surplus Account	18	4,790,930,496	5,211,086,850
		<b>8,601,219,916</b>	<b>8,508,861,806</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
IDA / World Bank Loans	12	923,212,498	667,156,349
CfC Stanbic Bank Loan	17	268,324,030	501,035,489
Deferred Income Tax Liability	14(b)	53,457,385	-
		<b>1,244,993,913</b>	<b>1,168,191,838</b>
<b>Current Liabilities</b>			
Creditors	13	716,664,729	455,068,049
Income Tax Liability	14(a)	178,960,283	202,661,358
		<b>895,625,012</b>	<b>657,729,407</b>
<b>Total Capital and Liabilities</b>		<b>10,741,838,841</b>	<b>10,334,783,051</b>

  
 Dr Kevin K Kariuki  
 CHAIRMAN

  
 Col (rtd) Eng Hilary K Kioko, MBS, OGW  
 DIRECTOR GENERAL

# THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2013

	Note	2013 Kshs	2012 Kshs
<b>Cash from Operating Activities</b>			
Net Surplus from Operations		606,932,132	726,214,775
<b>Adjustments for :</b>			
Depreciation	7	560,346,606	527,250,005
<b>Operating profit before working Capital Changes</b>		<b>1,167,278,738</b>	<b>1,253,464,780</b>
(Increase) / Decrease in Stocks	8	(8,994,306)	761,745
(Increase) / Decrease in Advance (Imprests)	11	(8,951,383)	799,840
(Increase)Decrease Prepayment	10	1,316,523	(2,549,352)
(Increase) / Decrease in Debtors	9	176,511,749	(30,640,056)
(Increase) / Decrease in Deferred Tax Asset		-	53,175,471
(Increase) / Decrease in Interest Receivable		(11,365,307)	
Increase / (Decrease) in Creditors	13	261,596,680	(77,303,719)
<b>Net Cash from Operating Activities</b>		<b>1,577,392,694</b>	<b>1,197,708,709</b>
90% Surplus / Corporation Tax paid		(202,661,357)	(396,966,288)
		<b>1,374,731,337</b>	<b>800,742,421</b>
<b>Cash used in Investing Activities</b>			
Purchase of Fixed Assets		(790,270,907)	(912,158,660)
Disposal of Assets		735,405	1,500,000
<b>Total Cash used in Investing Activities</b>		<b>(789,535,502)</b>	<b>(910,658,660)</b>
<b>Cash flow from Financing Activities</b>			
Loan commercial bank		341,106,202	
Loan Repayment commercial bank		(573,817,661)	(147,770,147)
Loans Repayment IDA-NCTIP		(23,000,000)	
Loans received IDA (KTSSP & NCTIP)		279,056,149	
GOK Grant Received	12	138,000,000	366,333,333
<b>Net Cash flow from Financing Activities</b>		<b>161,344,691</b>	<b>218,563,186</b>
Increase / (Decrease) in Cash & Cash Equivalents		746,540,525	108,646,946
Cash & Cash Equivalents at the Start of the Year	15	1,084,883,246	976,236,300
<b>Cash &amp; Cash Equivalents at the End of the Year</b>		<b>1,831,423,771</b>	<b>1,084,883,246</b>

# STATEMENT OF CHANGES IN CAPITAL AND RESERVES

## YEAR ENDED 30 JUNE 2012

	Kshs
At the start of the year	2,792,102,011
<b>Less:</b> Net Surplus to Treasury	(351,213,806)
10% Surplus for the year	22,517,929
<b>Surplus (Deficit) Account at the end of the year</b>	<b>2,463,406,134</b>
Government Grant	333,333,333
Appropriation Reserve Account	501,035,489
Revaluation Reserve Account	5,211,086,850
<b>At the end of the year 2011-2012</b>	<b>8,508,861,806</b>

## Year ended 30 June 2013

Surplus/Deficit account at the start of the FY 2012-13	2,463,406,134
Adjust for Movement of Reserves from Loan Appropriation A/C to P& L Reserve A/C	501,035,489
Net Surplus for the financial year 2012-2013	106,190,434
<b>Surplus (Deficit) account at the end of the FY 2012-13</b>	<b>3,070,632,057</b>
Government Grant	471,333,333
Appropriation Reserve Account	268,324,030
Revaluation Reserve Account	4,790,930,496
<b>At the end of the year 2012-2013</b>	<b>8,601,219,916</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### a) Basis of accounting

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except where otherwise stated in the accounting policies below.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgment of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

### b) Critical accounting estimates and assumptions

In the process of applying the company's accounting policies, management makes certain estimates and assumptions about future events. In practice, the estimated and assumed results would differ from the actual results. Such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### Equipment

Management makes estimates in determining the depreciation rates for equipment. The rates used are set out in the accounting policy for equipment.

These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the prevailing circumstances.

### c) Critical accounting judgments

In the process of applying the company's accounting policies, management makes certain judgments, that are continuously assessed based on prior experience and other determinants, including expectations of future events that, under the circumstances are deemed to be reasonable as described below:

#### Provision for doubtful debts

The authority reviews its debtors' portfolio regularly to assess the likelihood of impairment. Specific and General provision are made as per the rates established by the Board.

#### Provision for obsolete, defective and slow moving stocks

Management reviews its stocks periodically to assess the likelihood of impairment. This requires an estimate of the amounts that are considered unrealizable.

**d) Revenue recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the organization and the revenue can be reliably measured.

Interest income is recognized as it accrues (taking into account the effective yield rate on the asset) unless collectability is in doubt.

**e) Translation of Foreign Currencies**

Transactions in foreign currencies during the year are converted into Kenya Shillings as follows:-

Income items are converted at the average ruling rate at the date of invoice or at the rate the foreign currency funds are received by the bank into the Ksh account; Expenditure items are converted at rates ruling at the transaction dates; Assets and liabilities, which are expressed in foreign currencies, are translated into Kenya Shillings at rates ruling at the balance sheet date. The resulting differences from conversion and translation are dealt with in the income statement in the year, which they arise.

**f) Property, Plant and Equipment**

Property plant and equipment is stated at historical cost less accumulated depreciation. After recognition as an Asset, an item of property, plant and equipment whose fair value has been determined by professional valuation shall be carried at the revalued amounts less any subsequent accumulated depreciation and subsequent impairment losses.

Depreciation is calculated on a straight line basis to write down the cost/ revalued values of each asset to its residual value over its estimated useful life using the following annual rates:

	<b>Rate %</b>
Buildings	2.5
Air Navigation Equipment	10
Plant & Other Equipment	20
Computers, Copiers and faxes	30
Motor vehicles	20
Furniture and fittings	20
Freehold land is not depreciated.	

**g) Government Grants**

Government grants or any other grant shall be recorded in the books of the Authority in compliance with International Accounting Standard (IAS) 20 as follows:-

- Grants of revenue nature shall be credited to income and expenditure account and where the grants have not been received as at the balance sheet date; a provision shall be made as a debtor in the books provided it is beyond reasonable doubt that the grant will be received.
- Where the grant is of a capital nature, it shall be credited to the capital account and thus will form part of the capital and reserves account in the balance sheet.



**h) Inventories**

Non-perishable inventories are stated at the lower of cost and net realizable value. Cost is determined by first-in first out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the selling expense. Perishable inventories, which last for less than 12 months and are stated at net realizable value.

**i) Cash and Cash Equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise of deposits with commercial banks and cash on hand.

**j) Bad and Doubtful Debts write off**

The Authority reviews its debtors' portfolio regularly to assess the likelihood of impairment. This requires an estimation of the amounts that are irrecoverable. After all avenues of debt collection have been exhausted or it is established that it would be uneconomically viable to pursue a debt, the Board of Directors hold the financial discretion to write off the debt. The Authority reserves the right to reinstate the debt at future date.

**k) Comparatives**

Where necessary comparative figures have been adjusted to conform with changes in presentation in the current year. The comparative figures have been restated to adjust for a change in the accounting policy of the World Bank project. Previously all projects costs were capitalized but from now on the project costs will be expensed in line with International Accounting Standards.

**l) Retirement benefit obligation**

The Authority operates a defined contribution scheme for all eligible employees. The scheme became operational from 1st January 2007. The scheme is administered by an independent investment management company and is funded by contributions from both the Authority and employees. Employees of the defunct Directorate of Civil Aviation who became employees of the Authority and who were not eligible to join the defined contribution scheme continue to be governed by the existing Government pension scheme as per the Civil Aviation (Amendment) Act, 2002.

The Authority's obligations to the staff retirement benefit plans are charged to the income statement as they fall due.

**m) Staff numbers**

At the end of the financial year, KCAA had a total of 680 employees whose deployment in the four Directorates is as Summarised below;

<b>Directorate</b>	<b>No of Staff</b>	<b>Percentage</b>
a. Regulatory	70	10
b. Air Navigation Services	348	52
c. EASA	68	10
d. Corporate	194	28
<b>TOTAL</b>	<b>680</b>	<b>100</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 2. REVENUE

From the beginning of 2004/2005 financial year, the Authority was allowed to retain 100% of the aviation revenue to fund its both operational and capital budgets.

	<b>2012-2013</b>	<b>2011-2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Air Navigation Service Charges	3,266,998,787	3,382,696,991
License fees	237,129,124	148,094,490
AIP sales	1,382,157	1,692,505
<b>Total</b>	<b>3,505,510,068</b>	<b>3,532,484,986</b>
<b>EASA Revenue</b>	<b>123,993,149</b>	<b>196,297,341</b>
House Rent Income	15,064,500	14,089,075
Interest Income	103,542,975	35,297,424
Gain on disposal of Assets	74,441	194,000
Miscellaneous Receipts	2,470,852	3,785,174
Gain On Foreign Exchange	9,329,611	-
<b>Subtotal excluding EASA</b>	<b>130,482,379</b>	<b>53,365,673</b>
<b>TOTAL REVENUE</b>	<b>3,759,985,596</b>	<b>3,782,147,000</b>

### 3. PERSONNEL COSTS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic Salary	970,530,269	902,890,888
House Allowance	194,727,109	127,815,271
Responsibility	14,922,907	20,811,058
Transport Allowance	101,441,300	95,442,352
Pension And Gratuity Costs	124,706,871	108,807,534
Leave Allowance	25,367,532	14,496,244
Increase In Leave Provision	1,574,629	28,381,493
Other Allowances	189,735,239	24,202,972
<b>TOTAL</b>	<b>1,623,005,856</b>	<b>1,322,847,812</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 4. OPERATIONAL COSTS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfer Expenses	6,686,504	5,660,901
Medical In-Patient Expenses	26,767,399	25,959,907
Medical Out-Patient Expenses	41,804,098	37,804,466
Ex-Gratia Expenses	1,018,837	-
Training Expenses	37,501,374	12,413,546
Funeral Expenses	72,550	150,550
Group Life Insurance	12,003,051	8,280,687
Staff Welfare	10,317,306	10,915,734
Workman Compensation	3,000,000	1,657,044
HIV AIDS Awareness	3,559,444	1,953,524
Training Levy	633,900	395,950
Public Service Integrity	747,055	554,534
Sports Expenses	6,571,555	3,300,450
Cleaning Services	14,461,425	13,385,456
Fuel Expenses	10,175,412	8,563,026
Traveling And Accommodation Expenses	18,739,655	16,660,734
External Travel Expenses	31,324,353	28,605,527
East Africa Community Activities	7,254,368	33,300,620
Postal & Telegrams	1,864,595	1,525,800
AFCAC Expenses	-	80,100
Telephone Expenses	15,151,823	14,760,956
Dedicated Leased Lines	13,188,195	7,774,105
Official Entertainment	801,383	1,021,587
Board Expenses	20,985,766	11,826,429
Electricity Expenses	25,382,376	27,128,501
Water And Conservancy	4,222,290	1,748,804
Gas And Fuel Expenses	2,226,350	2,039,531
Filming And Photography	36,075	77,060
Drugs And Dressings	230,191	7,830
Fungicides Sprays	22,203	122,852
Purchase Of Food And Ration	25,534,703	21,888,350
Purchase Of Consumable Stores	5,602,227	11,252,228

## NOTES TO THE FINANCIAL STATEMENTS

Publishing And Printing Expenses	1,575,927	5,995,624
Uniform And Clothing	108,919	1,081,216
Library Expenses	2,404,461	1,594,435
Purchase Of Stationery	10,170,729	7,864,541
Advertising And Publicity Expenses	9,676,619	7,448,857
Show, Events and PR expenses	5,732,808	1,920,157
Rent And Rates	8,053,745	7,957,029
Contracted Professional Services	55,933,462	41,250,932
Computer Expenses	3,341,827	2,938,225
Internet Expenses	1,559,095	2,033,033
Hire Of Transport And Plant Equipment	441,425	2,619,340
Insurance – Vehicles	1,682,688	2,398,173
Insurance - Aviation Liability	23,999,998	29,920,352
Insurance – Other Equipments	8,831,159	6,115,180
Hire Of Satellite Links	31,097,918	19,574,627
Miscellaneous And Other Charges	561,194	346,306
Hire Of Examiners	33,141,438	29,056,704
Search & Rescue Expense	737,627	1,427,402
Study And Implementation Of SSP	1,345,985	69,295
Aerodrome & Inspection Certification	3,635,925	5,049,444
Subscription to International bodies	32,261,499	6,968,285
Subscription To Professional Bodies	401,580	512,455
Subscription To Publications	-	456,630
Communication Frequency Fees	3,380,221	4,941,562
Workshops And Conference Expenses	8,466,376	7,114,508
Corporate Social Responsibility	891,134	1,462,455
Legal And Contingent Expenses	14,629,597	8,616,392
Security Expenses	17,584,470	14,187,882
Celebration Of Civil Aviation Day	-	2,342,700
ICAO Audit Expense	114,950	-
ISO Expenses	1,393,775	1,029,735
EASA Commercial Expenses	11,358,882	5,297,768
Pre-Service Training	5,729,297	4,104,604
<b>Total</b>	<b>648,131,193</b>	<b>544,512,638</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 5. MAINTENANCE COSTS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance Of Plant & Equipment	8,459,917	6,150,820
Surveillance Equipment Maintenance Expense	10,727,297	10,107,952
Maintenance Of Com. Equipment	2,140,733	4,849,385
Maintenance Of Navigation Equipment	8,757,709	2,128,443
Maintenance Water & Sewerage	330,955	1,363,250
Maintenance of Staff Houses	14,795,762	577,045
Maintenance Of Motor Vehicles	7,506,091	5,632,502
Flight Calibration Expenses	24,567,291	2,184,772
Maintenance Of Building And Stations	27,054,636	18,073,107
Maintenance Of ICT Equipment	4,571,718	4,442,253
Other Maintenance costs	231,234	2,579,004
	<b>109,143,343</b>	<b>58,088,533</b>

## 6. OTHER COSTS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank Charges	5,015,864	2,340,771
KRA Agency Fees	72,911,459	60,932,470
Audit Fees	1,500,000	937,500
Provision For Doubtful Debts – General	15,096,152	95,039,451
Provision For Doubtful Debts – Specific	(31,440,312)	193,468,208
Loan Interest Repayments-CFC	77,748,912	109,428,013
Loan Interest Repayments-IDA	34,514,030	33,597,419
Foreign Exchange Losses	599,214	34,275,810
Other Costs -Deferred Tax	-	53,175,471
	<b>175,945,319</b>	<b>583,195,113</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 6a. NCTIP & KTSSP EXPENSES

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Flight Safety Consultancy	26,873,865	2,894,197
Support to EASA	-	7,322,418
Training of Staff & Trainers	7,366,084	3,321,063
Project Counterpart Expenses	2,241,198	6,500,448
	<b>36,481,147</b>	<b>20,038,126</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 7. PROPERTY, PLANT AND EQUIPMENT

	Air Navigation Equipment	Land	Buildings	Motor Vehicles	Plant & Other Equipment	Computers	Furniture & Fittings	WIP	Grand Total
Cost/Revaluation	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at 1st July 2012	4,011,583,848	2,307,749,992	2,485,331,850	50,285,000	140,653,013	56,875,574	43,540,244	26,966,750	9,122,986,271
Additions	51,919,842	-	-	8,696,400	13,945,866	71,422,382	11,801,222	239,295,589	397,081,301
Disposals/Adjustment	-	-	-	-	(129,239)	(583,165)	(23,000)	(26,966,750)	(27,702,154)
As at 30th June 2013	4,063,503,690	2,307,749,992	2,485,331,850	58,981,400	154,469,640	127,714,790	55,318,466	239,295,589	9,492,365,418
<b>DEPRECIATION</b>									
As at 1st July 2012	401,158,385	-	62,133,296	10,057,000	28,130,603	17,062,672	8,708,049	-	527,250,005
Charge As At 30th June 2013 Prior to Disposal Adjustment	406,350,369	-	62,133,296	11,796,280	30,893,928	38,314,437	11,063,693	-	560,552,004
On disposal / Adjustment	-	-	-	-	(25,848)	(174,950)	(4,600)	-	(205,397)
Charge as at 30/06/13	406,350,369	-	62,133,296	11,796,280	30,868,080	38,139,488	11,059,093	-	560,346,606
Accumulated Depreciation as at 30th June 2013	807,508,754	-	124,266,593	21,853,280	58,998,683	55,202,160	19,767,142	-	1,087,596,611
<b>NET BOOK VALUE</b>									
As at 30th June 2013	3,255,994,937	2,307,749,992	2,361,065,258	37,128,120	95,470,957	72,512,631	35,551,324	239,295,589	8,404,768,807
As at 30th June 2012	3,610,425,463	2,307,749,992	2,423,198,554	40,228,000	112,522,410	39,812,902	34,832,196	26,966,750	8,595,736,266

# NOTES TO THE FINANCIAL STATEMENTS

## 8. STOCKS / INVENTORIES

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Computer Expense	3,544,086	
Consumables	3,270,320	1,199,373
Maintenance of Buildings	929,556	562,189
Publishing & Printing	2,699,370	246,222
Staff Welfare	291,915	-
Stationery	3,838,875	3,237,455
Food Items	1,473,151	1,807,728
	<b>16,047,273</b>	<b>7,052,967</b>

## 9. DEBTORS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Aviation revenue debtors	525,775,045	842,114,481
Other sundry debtors	29,525,922	56,766,161
	<b>555,248,111</b>	<b>898,880,642</b>
Adjusted for provisions for bad and doubtful(Specific Provision)	(106,343,581)	(193,468,208)
Provisions for bad and doubtful (general net)	(15,096,152)	(95,039,452)
	<b>433,861,233</b>	<b>610,372,982</b>

## 10. PREPAYMENTS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Insurance -Motor Vehicles	881,658	1,090,789
Insurance - Other Equipment	1,778,561	3,544,191
Insurance -Group Life	6,113,230	6,143,782
Insurance-Workman Compensation	1,357,619	3,314,088
Aviation Staff Liability Insurance	15,290,704	13,294,514
Satellite Links	649,069	-
	<b>26,070,842</b>	<b>27,387,365</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 11. STAFF DEBTORS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Salary Advance	783,039	602,864
Medical Excess	14,894,100	5,838,685
Station Imprests	2,238,865	2,338,142
Staff Imprests	385,603	570,534
	<b>18,301,608</b>	<b>9,350,225</b>

These were staff salary advances, staff medical excess, station imprests, and imprests advanced to staff to undertake official assignments.

## 12. WORLD BANK FINANCING

The Authority received financial support from the World Bank through Credit No. 3930 KE dated 25 June 2004 as part of on-lent funds to the Government of Kenya under the Northern Corridor Transport Improvement Project-NCTIP. The World Bank/IDA Credit No. 3930 KE became effective in September 2004. The total sum is SDR 6,750,000 (USD 10.03 million equivalents). The loan has a grace period of eight years and the principal shall be repaid with effect from October 2012 to April 2027.

In addition the Authority received financial support from the World Bank through Credit No. 4926 KE from the financial year 2012-2013 under the Kenya Transport Support Project (KTSSP). In summary the project is geared towards enhancing the Authority's Regulatory capacity building, modernization of Air Navigation Equipment's and construction of the proposed KCAA Headquarters. The summary of the transactions during the year under the two projects are as given in the table below;



## NOTES TO THE FINANCIAL STATEMENTS

### NCTIP - 3930 KE

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash balance at the beginning of the year	39,902,721	14,899,056
Amounts received during the year	39,680,000	33,000,000
Expenditure during the year	(21,743,471)	(7,996,335)
NCTIP Cash balance end of the year	<b>73,016,551</b>	<b>39,902,721</b>
NCTIP Loan drawn by the end of 2012-13 FY	<b>724,995,599</b>	<b>667,156,349</b>
Principal Loan Repayment during the year	(23,000,000)	
<b>NCTIP Loan Balance at year end</b>	<b>701,995,599</b>	<b>667,156,349</b>

### KTSSP - 4926 KE

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash balance at the end of the year	70,017,347	-
Amount spent during the year	151,199,552	-
<b>Loan Balance at year end</b>	<b>221,216,899</b>	<b>-</b>

During the year 2012-2013 the Authority received a Capital Grant of Ksh 138 million to finance the modernization of Air Navigation Equipments and inspection of Government Aerodromes.



## NOTES TO THE FINANCIAL STATEMENTS

### 13. CREDITORS & ACCRUALS

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Aga Khan Hospital Mombasa	297,810	1,769,053
Aga Khan University Hospital Nairobi	4,780,632	3,550,611
Commissioner of Income Tax	725,011	24,573,092
Communications Commission of Kenya	-	9,354,075
Coretec System & Solutions Ltd	-	4,542,660
Crane Travel and Tours Ltd	-	387,750
EASA Training Liabilities	13,504,060	12,995,289
Esiko Kenya Enterprises Ltd	-	2,381,922
International Civil Aviation Organization	2,251,990	2,251,990
Kenya Airports Authority	40,615,463	40,554,776
Kenya National Audit Office	1,500,000	2,047,500
Kenya Power & Lighting Company	2,363,217	1,849,271
Kenya School Of Monetary Studies	-	197,943
L Plus	-	2,260,127
Lavington Security	-	2,385,600
Leave Cost Accrual	107,724,988	106,150,359
Liaison Risk and Financial Services	-	8,464,778
Other Creditors	246,204,432	70,170,543
Pacific Stationers	-	1,747,200
Payroll Liabilities	1,982,980	2,257,217
Pension Liabilities	102,969,087	93,124,895
Prepaid Liability	31,747,838	4,923,032
Rawford Ltd	1,847,905	1,847,905
Sofreavia - Egisavia	-	7,003,617
Syagga & Associates Ltd	525,000	4,585,000
Telkom Kenya Ltd	1,776,264	1,986,659
Thales Air Systems S.A.	87,793,093	5,499,324
The Mater Hospital	554,121	3,486,035
The Nairobi Hospital	1,449,878	1,508,631
Third Party Claims/Liability	13,922,254	17,152,453
Vitrociset	2,621,879	7,058,744
Car & General	11,930,645	
Shonitel	17,362,394	
Jo World Agencies	20,213,788	
World Food Programme	-	7,000,000
<b>TOTAL</b>	<b>716,664,729</b>	<b>455,068,049</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 14 (a). CURRENT INCOME TAX EXPENSE

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
Deficit / Surplus Before Tax	606,932,132	-
<b>Adjust for Non-Allowable Expenses</b>		
Depreciation	560,346,606	-
General Provision for Bad Debts	15,096,152	-
Accrual for Outstanding Leave Days	1,574,629	-
Adjusted Profit Before Wear & Tear Allowances	<b>1,183,949,519</b>	-
<b>Less: Wear and Tear Allowances</b>		
Air Navigation Equipments	507,937,961	-
Plant and Machinery	19,324,860	-
Furniture and Fittings	6,917,683	-
Motor Vehicles	14,745,350	-
Computers	38,489,387	-
<b>Total Wear and Tear Allowances</b>	<b>587,415,241</b>	-
Adjusted Surplus after Wear and Tear Allowances	<b>596,534,278</b>	-
Taxable Income	596,534,278	-
Income Tax Expense @ 30%	178,960,283	-
Less: Instalment Tax Paid 2012-2013	-	-
<b>Income Tax Liability</b>	<b>178,960,283</b>	-

Following the coming into effect of The Public Finance Management Act of 2012, in the financial year 2012-2013 the Authority was required to pay Corporation Tax at the prescribed rate of 30% pa. In the 2011-2012 financial year, the authority remitted 90% surplus to Treasury as per the Finance Act 2010 that was in operation then.

### 14 (b). DEFERRED INCOME TAX

	<b>2013</b>
	<b>Kshs</b>
At Start of the Year	-
Credit / Charge to Surplus	53,457,385
Deferred Income Tax C/F	<b>53,457,385</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 15. CASH AND BANK BALANCES

	<b>2013</b>	<b>2012</b>
	<b>Kshs</b>	<b>Kshs</b>
KCAA Expenditure Account	80,590,236	397,230
KCAA Revenue Account	845,294,766	471,907,221
CBA Dollar Account	259,144,293	281,120,059
CfC Stanbic Bank - Kenya	276,676,688	173,353,231
CfC Stanbic Bank (Dollar A/C)	145,935,722	86,933,585
NCTIP- Std C. Bank	73,016,551	39,902,721
EASA Revenue & Expenditure Account	52,673,381	31,269,198
EASA USD Account	28,074,786	-
KTSSP -NBK Account	70,017,347	-
	<b>1,831,423,771</b>	<b>1,084,883,245</b>

### 16 (a). SURPLUS ACCOUNT FOR THE YEAR 2012-2013

	<b>2012-2013</b>	<b>2011-2012</b>
	<b>Kshs</b>	<b>Kshs</b>
At the start of the Year Net	2,463,406,134	2,792,102,011
Surplus for the Year	106,190,434	225,179,286
Adjust for Net Surplus to Treasury 2010-2011	-	(351,213,806)
90% Payment to Treasury 2011-2012	-	(202,661,357)
Adjustment for movement from Appropriation Reserve Account in the year 2012-2013	501,035,489	-
<b>Surplus (Deficit) C/F</b>	<b>3,070,632,057</b>	<b>2,463,406,134</b>

### 16 (b). BANK INTEREST RECEIVABLE

	<b>Kshs</b>
CfC Current	41,529
Commercial Bank of Africa	554,488
NBK Revenue	7,534,124
KTSSP	2,412,159
CfC Call	652,763
NBK Expenditure	83,030
EASA NBK Revenue	80,179
CfC Dollar	7,035
<b>Total Bank Interest Receivable</b>	<b>11,365,307</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 17. APPROPRIATION FOR LOAN RESERVE ACCOUNT

The Authority drew the remaining balance of Ksh 341,106,202 on the term loan facility from CFC Stanbic Bank in the Financial Year 2012-2013 to support the payment of the outstanding CNS/ATM project obligation of approximately Ksh 409 million to Selex S.I of Italy.

In order to mitigate the worsening gearing position of the Authority, negotiations were undertaken with the CfC Stanbic Bank Ltd for early repayment of the principal balance on the loan drawn as at 30<sup>th</sup> of June 2012 which stood at Ksh 501,035,490. This was subsequently utilised in the year under review and the entire loan balance outstanding as at the beginning of the Financial Year (01.07.12) was cleared as at 01.07.13, hence utilizing the appropriation made in the 2011-2012 financial statements. To continue facilitating prudent management of the Authority's debts, funds equivalent to the outstanding principal on the CFC Stanbic Bank loan balance of **Ksh 268,324,030** as at 01.07.13 have been set aside under the **Appropriation Loan Account Reserve** being a charge on the Authority's Statement of Comprehensive Income for this reporting year

### 18. REVALUATION RESERVE ACCOUNT

The Authority contracted professional valuers Ms Syagga & Associates Ltd through open tender KCAA TENDER NO. 33/2009/2010 in the year 2010 to undertake the identification, valuation, tagging and recording of its assets located in various parts of the Country. Consequently, the revaluation values were posted to the KCAA Books of Accounts as per International Accounting Standards 16 and a Revaluation Reserve Account created accordingly.

In the year under review the movement in the revaluation account was to recognize final payments on assets which were part of the already revalued assets in the previous year.

### 19. CONTINGENT ASSETS AND LIABILITIES:

International Financial Reporting Standard No. 37 requires adequate disclosure in note form any contingent assets or liabilities which may arise from past events but whose impact on the Financial Statements will only take effect upon occurrence or non-occurrence of future events, some of which may be beyond the control of the Authority.

#### a) A Summary of the Contingent Liabilities is as follows:

##### i) Potential cost to African Commuter Services- Ksh 967,000,000

A judgment was entered on 18th December 2008 against MOT as 1st defendant and KCAA as 2<sup>nd</sup> defendant, jointly and severally for the sum of Ksh 967, 000,000, case relating to the Busia plane crash of 2003. The amount of Ksh 967,000,000 represents only the decretal sum and does not include court fees and interest on the decretal sum.

KCAA and MOT being dissatisfied with the Judgment filed an appeal no.311 of 2009 in the Court of Appeal on 6<sup>th</sup> January 2011. The appeal was heard by way of submissions and the ruling was to be delivered on 8<sup>th</sup> June 2012.



## NOTES TO THE FINANCIAL STATEMENTS

However one of the Judges handling the matter (Justice Nyamu) was declared unfit to serve in the Judiciary thus the ruling was deferred indefinitely. A fresh bench of the Court of Appeal Judges comprising of Justice W. Karanja, Hon. Musinga and Hon. K. M'inoti was constituted by the Chief Justice to hear this appeal. Indeed the appeal proceeded for hearing by way of submissions on 06/06/2013 and the judgment shall be delivered on 27<sup>th</sup> September 2013.

### ii) Potential Debts/Claims owed to Suppliers Totalling Ksh 40.32 Million:

KAA billings for rent and utility charges for the period up to 30 June 2005 amounting to Ksh.40.32 Million.

### iii) Potential claims arising from dismissed staff

There is a case pending in court where former staff who were dismissed because of engaging in an illegal strike in 2002 have sued the Authority. The verdict given by the court in 2009 was in favour of staff though the Authority has filed a record of appeal on 8<sup>th</sup> April 2010 in civil appeal NO 67 of 2010 in the court of appeal in Nairobi against the ruling. The exact value of the damages claimed has not been ascertained. The appeal is still pending and has not been allocated a hearing date in the Court of Appeal.

In addition two officers that were dismissed during the financial year for diverse disciplinary reasons and have gone to court to seek for redress. As at the reporting date the matters are still with the lawyers and courts hence financial implications thereof are not yet quantifiable.

### iv) Potential Costs for Staff on Interdiction

Two KCAA officers were on discipline related interdictions as at 30.06.13 and the potential costs that the Authority may incur if they are absolved of the cases are Ksh 1.3 million as at the financial reporting date.

### v) Potential Costs of Transfers of Vested Assets:

The vesting Order was published vide Legal Notice No.173 dated 13<sup>th</sup> October 2006, with an effective date of 24<sup>th</sup> October 2002. KCAA Stamp duties and capital gains taxes may accrue unless waived by the Government. Stamp Duties at the Revalued amounts for Assets that the Authority has ownership documents are approximated at Ksh 91 million.

### vi) Kenya Airways Claim for overpayment of Air Navigation Charges in the years 2004 and 2005

Kenya Airways has been following up on a claim of USD 413,695 that arose due to over charge on Air Navigation Charges in the years 2004 and 2005. The review of the claim is ongoing and the Authority is considering giving value to the client to the extent of the claim that is validated.

## b) A Summary of the Contingent Assets is as Follows:

### Pending Fraud Case:

Criminal Case No.2840/03 at the Anti-Corruption Court; this is a corruption case relating to a KRA officer who was responsible for collecting Air Navigation charges and is charged with defrauding KCAA of USD 100,465. None of these assets have been recognized in the accounts because there is material uncertainty on their realization.





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### COURSE CALENDER 2014



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COURSE TITLE	DURATION	DATES	REMARKS
<b>IATA/SAFETY SECTION</b>			
FLIGHT DISPATCH/OPERATIONS (No. 14) FLIGHT DISPATCH/OPERATIONS	7 MONTHS	OCTOBER 2013 - MARCH 2014 MARCH 2014 - SEPTEMBER 2014 OCTOBER 2014 - MARCH 2015	ON GOING NEW INTAKE NEW INTAKE
AIRPORT OPERATIONS AIRPORT OPERATIONS	6 MONTHS	OCTOBER 2013 - FEBRUARY 2014 MARCH 2014 - AUGUST 2014 SEPTEMBER 2014 - FEBRUARY 2015	ON GOING NEW INTAKE NEW INTAKE
AIR CARGO MANAGEMENT	6 MONTHS	OCTOBER 2013 - FEBRUARY 2014 MARCH 2014 - AUGUST 2014 SEPTEMBER 2014 - FEBRUARY 2015	ON GOING NEW INTAKE NEW INTAKE
DANGEROUS GOODS REGULATIONS	6 MONTHS	OCTOBER 2013 - FEBRUARY 2014 MARCH - AUGUST 2014 SEPTEMBER 2014 - FEBRUARY 2015	ON GOING NEW INTAKE NEW INTAKE
TRAVEL & TOURISM FOUNDATION	6 MONTHS	OCTOBER 2013 - FEBRUARY 2014 MARCH 2013 - AUGUST 2014 SEPTEMBER 2014 - FEBRUARY 2015	ON GOING NEW INTAKE NEW INTAKE
TRAVEL & TOURISM CONSULTANT	6 MONTHS	OCTOBER 2013 - FEBRUARY 2014 MARCH 2014 - SEPTEMBER 2014 SEPTEMBER 2014 - FEBRUARY 2015	ON GOING NEW INTAKE NEW INTAKE

<b>AVIATION SECURITY SECTION</b>			
AVSEC 123 CARGO & MAIL	5 DAYS	10 MARCH - 14 MARCH 2014	<b>ON REQUEST</b>
ASTP BASIC	10 DAYS	14 APRIL - 25 APRIL 2014	<b>ON REQUEST</b>
RISK MANAGEMENT	5 DAYS	5 MAY - 9 MAY, 2014	<b>ICAO COURSE</b>
ASTP/123 AVSEC INSTRUCTORS	7 DAYS	16 JULY - 24 JULY 2014	<b>ON REQUEST</b>
ASTP/123 AVSEC INSTRUCTORS	7 DAYS	16 JULY - 24 JULY, 2014	<b>ON REQUEST</b>
ASTP BASIC	10 DAYS	4 AUGUST - 15 AUGUST, 2014	ON REQUEST
AVSEC/123 MANAGEMENT	10 DAYS	11 SEPTEMBER - 22 SEPTEMBER, 2014	<b>ON REQUEST</b>
NATIONAL CIVIL AVIATION SECURITY* PROGRAM WORKSHOP	5 DAYS	11 OCTOBER - 19 OCTOBER, 2014	<b>ICAO COURSE</b>
NATIONAL INSPECTORS COURSE	7 DAYS	18 NOVEMBER - 26 NOVEMBER 2014	ICAO COURSE
<b>AIR TRAFFIC SERVICES SECTION</b>			
APPROACH CONTROL (NON RADAR)	12 WEEKS	13 JANUARY 2014 to 21 MARCH, 2014	ON SCHEDULE
PBN FOR ATCOS	3 DAYS PER COURSE	20 JANUARY 2014 to 02 MAY, 2014	ON REQUEST
APPROACH CONTROL REFRESHER (NON RADAR)	1 WEEK	24 MARCH 2014 to 28 MARCH, 2014	ON SCHEDULE
SEARCH AND RESCUE MISSION CO-ODINATORS	4 WEEKS	07 APRIL 2014 to 02 MAY, 2014	ON REQUEST
AREA/AIRWAYS CONTROL (NON RADAR)	12 WEEEEKS	05 MAY 2014 to 18 JULY, 2014	ON SCHEDULE
APPROACH RADAR CONTROL	10 WEEKS	02 JUNE 2014 to 08 AUGUST, 2014	ON SCHEDULE
SEARCH AND RESCUE MISSION CO-ODINATORS	4 WEEKS	01 SEPTEMBER 2014 to 26 SEPTEMBER, 2014	ON REQUEST
AREA RADAR CONVERSION	4 WEEKS	01 SEPTEMBER 2014 to 26 SEPTEMBER, 2014	ON REQUEST
<b>AERONAUTICAL INFORMATION SERVICES SECTION</b>			
SUPERVISORY MANAGEMENT	4 WEEKS	24 FEBRUARY TO 21 MARCH, 2014 09 JUNE TO 04 JULY, 2014 01 SEPTEMBER - 26 SEPTEMBER, 2014	ON SCHEDULE



AIS ICAO 021	12 WEEKS	03 FEBRUARY - 25 APRIL, 2014 21 JULY - 10 OCTOBER, 2014	
AUTOMATED AIS SYSTEMS	4 WEEKS	03 FEBRUARY - 28 FEBRUARY, 2014 28 APRIL - 23 MAY, 2014 21 JULY - 15 AUGUST, 2014 03 NOVEMBER - 28 NOVEMBER, 2014	ON SCHEDULE
AIS REFRESHER TRAINING	2 WEEKS	27 JANUARY - 7 FEBRUARY, 2014 31 MARCH - 11 APRIL 2014 02 JUNE - 13 JUNE, 2014 06 OCTOBER - 17 OCTOBER, 2014	ON REQUEST
FLIGHT PLANNING FOR GENERAL AVIATION	2 WEEKS	07 APRIL - 18 APRIL, 2014 07 JULY - 18 JULY, 2014 13 OCTOBER - 24 OCTOBER, 2014	
AIS CONVENTIONAL CARTOGRAPHY	6 WEEKS	07 APRIL - 16 MAY, 2014 14 JULY - 22 AUGUST, 2014 20 OCTOBER - 28 NOVEMBER, 2014	ON REQUEST
NOTAM MANAGEMENT	2 WEEKS	10 MARCH - 21 MARCH, 2014 9 JUNE - 20 JUNE, 2014 8 SEPTEMBER - 19 SEPTEMBER, 2014 08 DECEMBER - 19 DECEMBER, 2014	
CUSTOMER CARE SERVICES	5 DAYS	17 FEBRUARY - 21 FEBRUARY, 2014 21 APRIL - 25 APRIL, 2014 16 JUNE - 20 JUNE, 2014 22 SEPTEMBER - 26 SEPTEMBER, 2014 17 NOVEMBER - 21 NOVEMBER, 2014	ON SCHEDULE
<b>ENGINEERING SECTION</b>			
AERONAUTICAL ENGINEERING(AIRFRAMES & ENGINES)YEAR III	TERMS 1, 2 & 3	06 JANUARY - NOVEMBER, 2014	ONGOING
AERONAUTICAL ENGINEERING(AVIONICS) YEAR III	TERMS 1, 2 & 3	06 JANUARY - NOVEMBER, 2014	ONGOING
TELECOMMUNICATION ENGINEERING YEAR III	TERMS 1, 2 & 3	06 JANUARY - NOVEMBER, 2014	ONGOING
AERONAUTICAL ENGINEERING(AIRFRAMES & ENGINES)YEAR II	TERM 2 & 3	06 JANUARY - AUGUST, 2014	ONGOING
AERONAUTICAL ENGINEERING(AVIONICS) YEAR II	TERM 2 & 3	06 JANUARY - AUGUST, 2014	ONGOING

AERONAUTICAL ENGINEERING(AIRFRAMES & ENGINES)YEAR I	TERM 2 & 3	06 JANUARY - AUGUST, 2014	ONGOING
AERONAUTICAL ENGINEERING(AVIONICS)YEAR I	TERM 2 & 3	06 JANUARY - AUGUST, 2014	ONGOING
AERONAUTICAL ENGINEERING(AIRFRAMES & ENGINES)YEAR I	TERM 1	SEPTEMBER - DECEMBER, 2014	NEW INTAKE
AERONAUTICAL ENGINEERING(AVIONICS) YEAR I	TERM 1	SEPTEMBER - DECEMBER, 2014	NEW INTAKE
AIRCRAFT MAINTENANCE LICENSE (AML) - AIRFRAME & ENGINE/AVIONICS	6 MONTHS FULL TIME	07 JANUARY 2014 - APRIL, 2014	ON GOING
	8 MONTHS PART TIME	07 JANUARY - JULY, 2014	ON GOING
AIRCRAFT MAINTENANCE LICENSE (AML) - AIRFRAME & ENGINE/AVIONICS	6 MONTHS FULL TIME	JUNE 2014 - NOVEMBER, 2014	NEW INTAKE
	8 MONTHS PART TIME	SEPTEMBER 2014 - APRIL, 2015	NEW INTAKE
VHF EQUIPMENT MAINTENANCE TWO (2) COURSES	2 WEEKS	07 APRIL - 18 APRIL, 2014 18 AUGUST - 29 AUGUST, 2014	
<b>NAVAIDS MAINTENANCE</b>			
DVOR MAINTENANCE ONE (1) COURSE	8 WEEKS	06 OCTOBER -28 NOVEMBER 2014	
ILS MAINTENANCE ONE (1) COURSE	10 WEEKS	MAY - JULY 2014	
DME MAINTENANCE ONE (1) COURSE	8 WEEKS	10 FEBRUARY - 04 APRIL 2014	
<b>SURVEILLANCE</b>			
RADAR MAINTENANCE	12 WEEKS		ON REQUEST
RADAR MONO PULSE	4 WEEKS		ON REQUEST
<b>COMPUTER SYSTEMS</b>			
MICROPROCESSORS	10 WEEKS		ON REQUEST
DIGITAL TECHNIQUES	6 WEEKS		ON REQUEST
COMPUTER OPERATIONS	4 WEEKS		ON REQUEST

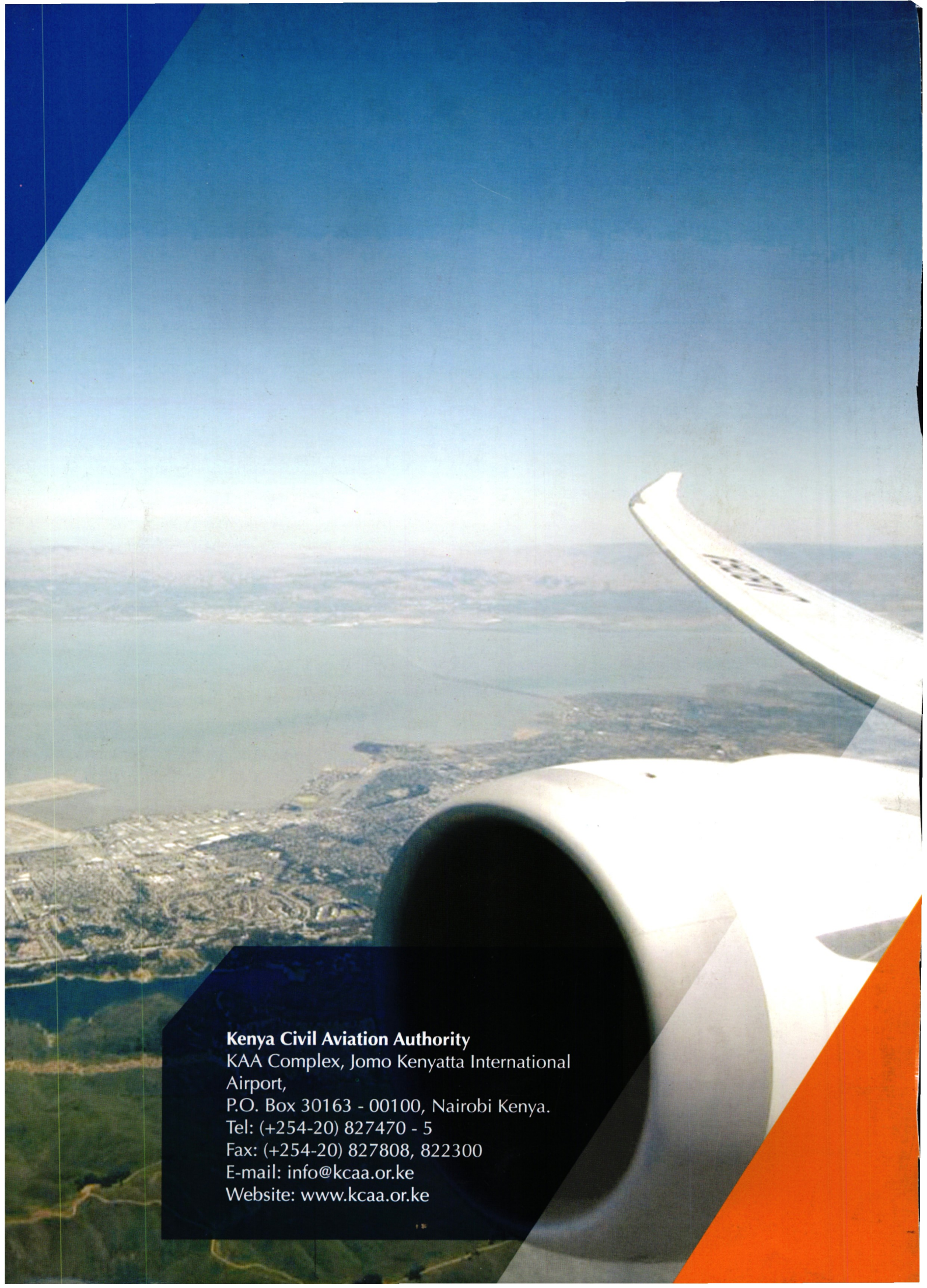


<b>GENERAL COURSES</b>			
TEST AND MEASUREMENT TWO (2) COURSES	2 WEEKS	APRIL 2014 AND AUGUST 2014	
<b>CURRICULUM DEVELOPMENT SECTION</b>			
OJT INSTRUCTORS	5 DAYS	03 MARCH - 07 MARCH 2014	ON SCHEDULE
TDC	2 WEEKS	MAY 2014	
AIT	3 WEEKS	MAY 2014	
<b>COMMUNICATION OPERATIONS SECTION</b>			
RADIOTELEPHONY INITIAL TRAINING	2 WEEKS	14 APRIL -26 APRIL, 2014 16 JUNE -27, JUNE, 2014 06 OCTOBER -17 OCTOBER, 2014	
AERONAUTICAL FIXED SERVICE OPERATOR (AFSO)	12 WEEKS	07 APRIL - 27 JUNE, 2014	
AERONAUTICAL MOBILE MOBILE SERVICE OPERATOR (AMSO)	8 WEEKS	07 JULY - 29 AUGUST, 2014	
AERONAUTICAL COMMUNICATION SERVICE SUPERVISORY	8 WEEKS	01 SEPTEMBER - 24 OCTOBER. 2014	
ADVANCED AERONAUTICAL COMMUNICATIONS (AACO)	8 WEEEEKS	06 OCTOBER - 28 NOVEMBER. 2014	
RADIOTELEPHONY REFRESHER	8 WEEKS		ON REQUEST

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**Kenya Civil Aviation Authority**

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