



*Paper laid by  
Leader of Majority  
Party  
Tuesday 31/7/2018*

**OFFICE OF THE AUDITOR-GENERAL**

**PARLIAMENT  
OF KENYA  
LIBRARY**

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

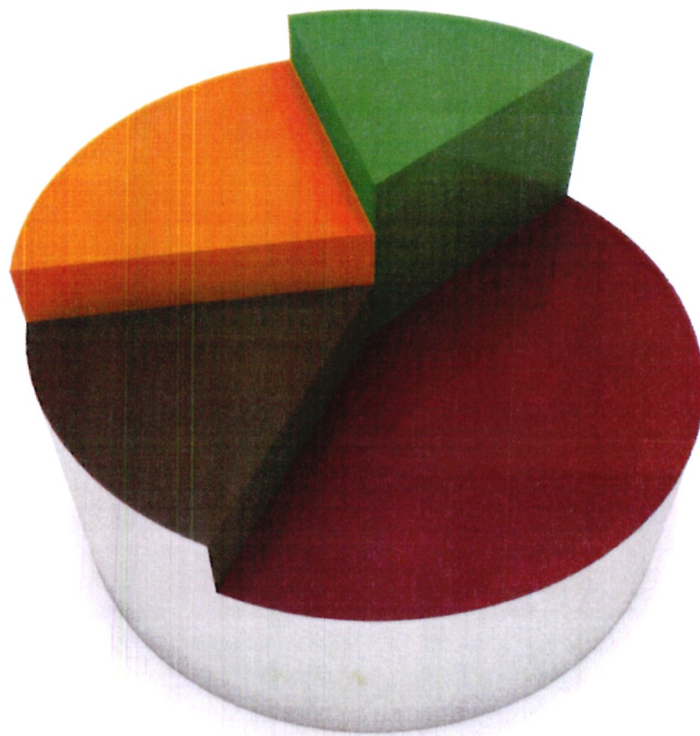
**ON**

**THE FINANCIAL STATEMENTS OF  
MEDIA COUNCIL OF KENYA**

**FOR THE YEAR  
ENDED 30 JUNE 2017**



Annual Report and Financial  
Statements for the Year ended 30th  
June 2017



Promoting Press Freedom  
and Responsible Journalism

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**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENT  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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

**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**COUNCIL MEMBERS**



**Mr. Charles Kerich**

**Chairman**

**Date of Birth:** 23/12/74

**Education**

He holds a Degree in Communication.

Currently pursuing a Master's degree in International Studies.

**Work Experience**

Editor in Chief at Radio Africa Group Ltd in charge of editorial staff and the content that is published in the Group's newspaper (The Star), six radio stations and several digital platforms.

Has over 20 years' experience in media, as a full time journalist and editor leading teams in print, broadcast and digital outlets.



**Mr P.D Gwaro Ogaro**

**Council Member**

**Date of Birth:** 25/10/1975

**Education**

He has a Master of Arts degree in Communication Studies - University of Nairobi.

Bachelor of Arts in Sociology and Linguistics - University of Nairobi.

**Work Experience**

Acting Director of Information in the Ministry of Information, Communications and Technology

Served as an Information Officer with the Kenya News Agency (KNA) and as an Editor with the Rural Press in the Department of Information.

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**



**Mrs Violet Tsisiga Awori**

Council Member

**Date of Birth:** 19/07/57

**Education**

- Bachelor's Degree in Law.
- Diploma in law

**Work Experience**

An advocate of the High Court of Kenya with over 30 years' experience in both in civil and criminal law.

Vice Chairperson of Smep Microfinance Bank.

A member of FIDA and has served on its board and risen to become the chairperson of this non-governmental women's rights organization.

She has served on many boards in the public arena one of them being the Pending Bills Closing Committee.



**Mrs. Veronica Akinyi Kuto**

Council Member

**Date of Birth:** 30/03/1957

**Education**

She has an MBA in Strategic Management from Maastricht School of Economics (ESAMI). B.A. Economics from University of Nairobi.

**Work experience**

Has worked for KCB as the Head of Credit Quality Assurance & Policy Management. She is also a member County Land Management Board- Uasin Gishu County and has experience in administration of public land.

She has been a director with Kenya Women Finance Trust

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**Mr. Ahmed Ibrahim**

Council Member

**Date of Birth:** 15/03/69

**Education**

He holds a **BA (Hons)** in International Development from East London University

**MA** International Relations from Brunel University West London.

**Post-Graduate Diploma** in Risk Crisis and Disaster Management from Leicester University respectively.

**Work experience**

He has worked with Kenya Red Cross Society rising to the rank of Regional Manager North Eastern and International aid organizations in South Sudan and Somalia as an aid worker.

A teacher as well as a humanitarian aid worker by profession



**Rev. Paul Munyalo Inuvu**

Council Member

**Date of Birth:** 27/07/62

**Education**

Holder of a Bachelor of Theology from Catholic University of Eastern Africa.

A higher Diploma in theology from Carlile College School of Theology

Currently pursuing a Master of Arts degree in Project Planning and Management at the University of Nairobi.

**Work experience**

Has a wealth of experience in community development

Experienced in governance having served as a board member of various organisations including Mavoko Water and Sewerage Company.

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**Mr. David Omwoyo Omwoyo**

Chief Executive Officer

**Date of Birth:** 21/04/1982

**Education**

- Holder of MA in Mass Communications from University of Leicester (UK)
- BA in Mass Communication

**Work experience**

- Kenya Conference of Catholic Bishops as the Director of Communications, Fundraising and Partnerships.
- Egerton University, Njoro as the Resource Mobilization and Donor Relations Manager
- Catholic Diocese of Nakuru as the Communications Director and Radio Station Manager
- Catholic Information Service for Africa (Projects Editor: Consultant)

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**MANAGEMENT TEAM**



**Mr. Victor Bwire**

Deputy Chief Executive Officer and Programmes Manager

**Date of Birth:** 09/08/72

**Education**

MA in Communication and Media Studies  
Post- Graduate Diploma in Mass Communication  
BA from the University of Nairobi.  
Post- Graduate Diploma in Environmental Journalism  
and Communication from Makerere University,  
Uganda.

**Work experience**

Communications Officer at the Kenya National  
Commission on Human Rights  
Programmes Officer-ARTICLE 19- on journalists safety  
and media freedoms  
Writer for the Nation Media Group and the Standard.  
Lecturered at the UoN, USIU, MKU, TUK



**Godfrey Mageto Onger**

Finance Manager.

**Date of Birth:** 21/12/80

**Education**

Master of Science (Finance & Investment) -  
University of Nairobi

Bachelor of Commerce (Finance and  
Banking) degree from Egerton University.  
Certified Public Accountant (CPA-K)  
certificate

Diploma in Project Management -Kenya  
Institute of Management

**Work experience**

- Blue Limited (Loan Officer)
- Barclays Bank(Recovery Officer)

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**



**Josphat Kibaara**

Human Resource and Administration Manager

**Date of Birth:** 29/07/73

**Education**

- Masters in Human Resource Management degree -Open University of Tanzania,
- Bachelor of Arts (Government and Public Administration)-Moi University
- Higher Diploma (Human Resource Management)-Institute of Human Resource Management
- Diploma in Human Resource Management - Kenya Institute of Management.

**Work experience**

- Kenya Plant Health Inspectorate Service (Kephis)
- National Museums of Kenya
- Unga Limited.

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

## CHAIRMAN'S STATEMENT

The Media Council of Kenya implemented a number of activities during the 2016/2017 Financial Year. The Council made tremendous strides in efforts to achieve its objectives including being steadfast in ensuring the protection of the rights and privileges of journalists in the performance of their duties as guaranteed by the Constitution of Kenya vide Article 34 as operationalized through the Media Council Act 2013.

Key activities as provided under the Act include capacity building for journalists on diverse themes and topics, media literacy campaigns through press appearances and stakeholder forums to educate members of the public the role of the media in national development, complaints handling on breaches to the code of conduct for the practice of journalism, setting journalism standards in the country and accreditation of both journalists and media houses.

The greatest thing that happened during the reporting period was the appointment and inauguration of the board of the Media Council of Kenya and members of the Complaints Commission. The MCK stayed without a board for period of one and a half years and without the Complaints Commission for two and a half years. The Council immediately organized training on Corporate Governance and *Mwongozo* for the Board and Alternative Dispute Resolution for the members of the Complaints Commission. This was followed by preparations for a mid-term review of the 2013-2018 Strategic plan. A number of policies were reviewed and considered by the board.

The Council implemented a number of activities including spearheading a process to streamline the curriculum of courses offered in institutions of higher learning, conducting trainings for thousands of journalists on various topics, ranging from election reporting to environmental journalism, regular meetings with stakeholders to thrash out topical issues and responding to cases of threats against journalists.

Journalists in Kenya still faces a number challenges which the Council is working with Government and other stakeholders to address. People have continued to use Chapter 18 of the Penal Code, which provides for criminal defamation. Our position is that the Media Act is sufficient to handle defamation issues, and we are asking your good office to ensure this section of the CPC is expunged. Secondly, when the media industry protested against the Kenya Information and Communications (Amendment) Act, and the hefty fines it provides for against individual journalists and media houses. We need amendments to reduce or do away with these fines.

The MCK has remained very independent as much as it receives modest funds from the government, which we hope will be increased as we work on improving the working relations with the Government and align our projects with national development.



**Mr. Charles Kerich**  
**Chairman of the Council**  
**Media Council of Kenya**

## **MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

### **REPORT OF THE CHIEF EXECUTIVE OFFICER**

The 2016/2017 Financial Year saw the Media Council of Kenya implement a number of activities towards the realization of its statutory mandate. This was aligned to the Council's Performance Contract and budgetary provisions.

The Media Council Act 2013, which creates that Council requires that the body shall be independent of control by government, political interests, for purposes of setting media standards and monitoring compliance with those standards (Article 34 (5)).

The Council runs through the co-regulation model adopted in Kenya since 2007, where the media industry and the government play a joint role in media regulation. Although the model has faced some criticism particularly on aspects of independence from government, it's a desirable model as seen from elsewhere. Key components such as state funding are similar to many countries in Europe which are partially funded by their governments but continue to be independent.

Having the board in place, after a one and half years absence, the Council held the orientation of the board and its training on Corporate Governance, and presented a number of policies that required board approval. The Board and management carried out a mid-term of the Council's 2013-2018 Strategic Plan to assess progress and made appropriate guidance.

The Council dealt with emerging and contentious issues in the industry including safety and protection of journalists and professional conduct of journalists ahead of the 2017 general election. The Council conducted trainings for media on elections, conflict-sensitive and gender responsive reporting and through consultation and participation of media stakeholders' developed reporting guidelines for the media on elections.

The Council continued and enhanced the accreditation function by maintaining a roll of journalists practicing in Kenya, media enterprises and training institutions training journalists to maintain standards and professionalism.

The Council also intervened where the media compromised journalistic standards through an effective media monitoring function, whose feedback informed our work and was shared with stakeholders. The Council organized the Annual Journalism Excellence Awards (AJEA) and journalists' convention as one of the major events around the 2016 World Press Freedom Day celebrations to recognize excellence in the profession.

We are grateful for the support we have continued to receive from the government, government agencies and our development partners in pursuit of our mandate of promoting press freedom and responsible journalism in Kenya.

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**



**Mr David Omwoyo**

**Chief Executive Officer & Secretary to the Council  
Media Council of Kenya**

**MEDIA COUNCIL OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**CORPORATE SOCIAL RESPONSIBILITY**

The Media Council of Kenya's (MCK) was registered and operates as a corporate body under the Media Council Act 2013.

# REPUBLIC OF KENYA

Telephone: +254-20-342330  
Fax: +254-20-311482  
E-mail: [oag@oagkenya.go.ke](mailto:oag@oagkenya.go.ke)  
Website: [www.kenao.go.ke](http://www.kenao.go.ke)



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON MEDIA COUNCIL OF KENYA FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Media Council of Kenya set out on pages 1 to 10, which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, 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 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Media Council of Kenya as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Media Council of Kenya, Act 2013.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described on the Basis for Qualified Opinion section of my report, I confirm that nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

#### Basis for Qualified Opinion

##### 1. Going Concern

During the year under review, the Council recorded a deficit of Kshs.18,010,214 (2016 Loss: Kshs.3,469,901) as at 30 June 2017. Further, the current liabilities of Kshs.18,508,441 as at 30 June 2017 exceeds the current assets of Kshs.9,468,153 resulting in a negative working capital of Kshs.9,045,288 which indicates that the Council was unable to meet its financial obligations as and when they fall due. The Council is therefore technically insolvent and the financial statements have been prepared on going concern basis on assumption that it will continue to receive financial support from government, creditors and donors.

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*Report of the Auditor-General on the Financial Statements of Media Council of Kenya for the year ended  
30 June 2017*

## **2. Council Expenses**

As disclosed in Note 6 to the financial statements, included in the Council expenses balance of Kshs.7,673,153 is an amount of Kshs.2,262,222 in respect of daily subsistence allowance. The amount of Kshs.2,262,222 also includes an amount of Kshs.1,251,900 whose supporting analysis was not availed for audit review.

In the circumstances, it has not been possible to confirm propriety of expenditure on daily subsistence allowance of Kshs.1,251,900 for the year ended 30 June 2017.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Media Council of Kenya in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section of my report, I determined that there were no Key Audit Matters to communicate in my report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis and for 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.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, sustain services, disclosing, as applicable, matters related to going concern/ sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

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

Those charged with governance are responsible for overseeing the Council's financial reporting process.

## **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities of the Council to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

**25 June 2018**

**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**Coorporate Information**

The Media Council of Kenya was registered and operates as a corporate body under the Media Act (Cap 411B) on 1st October, 2007.

**Principal Activity**

To safeguard media freedom, enhance professionalism and arbitrate media disputes.

**Current Board Members**

Mrs. Violet Tsisiga Awori	Member
Mrs. Veronica Akinyi Kuto	Member
Mr. Julius Mwaniki Kinyeki	Member
Mr. Ahmed Ibrahim	Member
Rev. Paul Inuvu	Member
Mrs. Elizabeth Limagur	Member
Mr. P.D Gwaro Ogaro	Member

**Previous Board Members**

Mr. Charles Kerich	Chairman
Ms. Annette Nasiaki Okello	Member

**Management Team**

Mr. David Omwoyo	Chief Executive Officer
Mr. Victor Bwire	Programmes Manager
Mr. Godfrey Mageto	Finance Manager
Mr. Josphaat Kibaara	Human Resource and Administration Manager
Ms. Anne Jalang'o	Internal Auditor

Dr Haron Mwangi                      Former - Chief Executive Officer

**Secretariat**

Mr. David Omwoyo- Chief Executive Officer and Secretary to the Board

**Registered Office and Principal Place of Business**

Mara/Ragati Road Junction  
Upper Hill  
P.O. Box 43132 - 00100  
Nairobi

**Contacts**

Tel: 020 2737058  
Email: info@mediacouncil.or.ke  
Website: www.mediacouncil.or.ke

**Banker**

Standard Chartered Bank Kenya Limited  
Kenyatta Avenue Branch  
P.O. Box 30001 - 00100  
Nairobi

**Auditors**

Auditor General  
Office of Auditor General  
Anniversary Towers ,University Way  
P.O. Box 30084  
Nairobi

**Principal Legal Adviser**

1 The Attorney General  
Office State Law  
Harambee Avenue  
P.O.Box 40112  
City Square  
Nairobi Kenya

2 Gathii Irungu & Co Advocates  
Miller & Co Advocates

**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**REPORT OF THE COUNCIL**

The Council members have the pleasure in presenting their report together with the audited financial statements of the Council for the year ended 30 June 2017.

**PRINCIPAL ACTIVITY**

The Council is a non profit and non political media organization formed through the Media Council Act 2013 to provide self regulation for the media industry and education to public, government and media practitioners. It also carries out research on media practice in the country.

**RESULTS**

The results for the year ended 30th June 2017 are shown on page 6.

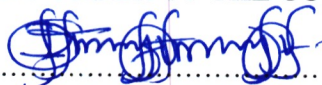
**COUNCIL MEMBERS**

The Council members who held office during the year and to the date of this report are shown on page 1.

**AUDITORS**

The Council Financial statements are audited by the Auditor General.

**BY ORDER OF THE COUNCIL**

  
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**SECRETARY**

**DATE: 18TH MAY, 2018**

**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017  
STATEMENT OF CORPORATE GOVERNANCE**

The Council members have committed themselves to the service of the Council and to uphold the tenets of good corporate governance by being responsible, transparent, accountable, efficient, effective, persons of integrity and exercise fairness in all their dealings.

**The Council**

The Council consists of Nine Council members and a Chief Executive Officer.

8 of the members are appointed via a competitive process set out in Section 7 of the Media Council Act 2013. The Cabinet Secretary responsible for media appoints a representative to the Council.

**Council Responsibilities**

The independence of the Council's board from its corporate management is ensured by the separation of the functions of the Chairman and the Chief Executive Officer and a clear definition of their responsibilities. This helps in achieving an appropriate balance of power, increased accountability and improved capacity for decision making, independent of the management.

The Council is accountable to the stakeholders and retains ultimate responsibility for the Council's performance.

It takes on the primary responsibility of determining the Council's vision, mission, and values; deciding its strategic objectives and key elements of the governance processes underpinning the operation of the Council. The Council members retain full and effective control over the Council by monitoring the management in its implementation of Council plans and strategies, review of management accounts, and major capital expenditure.

The Council exercises diligence in carrying out its role, with emphasis on strategic issues and policy matters. On a quarterly basis, Council evaluates an operational report from the Chief Executive Officer which includes management accounts for the past quarter, reports from each Council committee; specific proposals for capital expenditure and acquisitions; as well as strategic opportunities for the Council.

**Council Committees**

The Council committees facilitate decision-making to assist the Council in the execution of its duties, powers and authority. However, delegation of authority to the committees does not in any way mitigate the discharge by the Council of its duties and responsibilities.

The Council has set up four Committees which draw its membership from the Council members. This

- Finance and Administration Committee
- Training and Media Development Committee
- Ethics and Public Information Committee
- Audit Committee

**APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved on **18TH MAY, 2018**



**SECRETARY**



**MEMBER OF THE COUNCIL**

**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**

Section 8(1) of the Public Finance Management Act, 2012 and the Media Council Act 2013 requires the Council to prepare financial statement , which give a true and fair view of the state of affairs of the Council at the end of the financial year and the operating results of the Council for that year. The Council Members are also required to ensure that the Council keeps proper accounting records which disclose with reasonable accuracy the financial position of the Council. The Council Members are also responsible for safeguarding the assets of the Council.

The Council Members are responsible for the preparation and presentation of the Council's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Council; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Council accept responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards(IPSAS), and in the manner required by the PFM Act and the State Corporations Act. The Directors are of the opinion that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2017, and of the Council's financial position as at that date. The Council Members further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approved by the Council members on **18TH MAY, 2018** and signed on its behalf by:



Mr. David Omwoyo  
Chief Executive Officer and Secretatry to the Council



Mrs. Violet Tsisiga Awori  
Member of the Council

**REPORT OF THE AUDITOR-GENERAL  
ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

**MEDIA COUNCIL OF KENYA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2017**

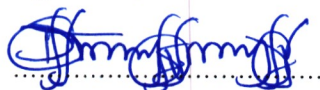
		<b>2017</b>	<b>2016</b>
<b>Revenue from Non- exchange Transactions</b>	<b>Notes</b>	<b>Kshs</b>	<b>Kshs</b>
Transfers from Government	2	58,000,000	59,484,120
Licences and Permits	3	9,355,300	9,701,700
Other incomes/Conditional Grants	4	22,070,746	38,043,459
<b>Total Revenue</b>		<u><b>89,426,046</b></u>	<u><b>107,229,279</b></u>
<b>Expenses</b>			
Employee Cost	5	41,391,678	40,891,953
Council Allowances	6	7,673,153	2,076,652
Depreciation and ammortisation expenses	7	5,056,412	6,140,477
Repair and Maintainance	8	113,650	203,926
General Expenses	9	53,201,367	61,386,171
<b>Total Operating Expenses</b>		<u><b>107,436,260</b></u>	<u><b>110,699,179</b></u>
<b>(Deficit) /surplus of income over expenditure</b>		<u><b>(18,010,214)</b></u>	<u><b>(3,469,901)</b></u>



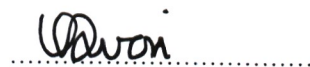
**MEDIA COUNCIL OF KENYA  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

<b>ASSETS</b>	<b>Notes</b>	<b>2017 Kshs</b>	<b>2016 Kshs</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	10	3,063,791	2,444,949
Receivables from Non-exchange transactions	11	6,404,362	9,585,296
		<u>9,468,153</u>	<u>12,030,245</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	7(A)	22,817,303	27,473,713
Intangible Assets	7(B)	800,000	1,200,000
		<u>23,617,303</u>	<u>28,673,713</u>
<b>TOTAL ASSETS</b>		<u><u>33,085,455</u></u>	<u><u>40,703,958</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables from exchange transactions	12	18,508,441	2,116,730
<b>NON-CURRENT LIABILITIES</b>			
Deferred income	13	-	6,000,000
Fund Balance	14	14,577,014	32,587,228
<b>TOTAL FUND AND LIABILITIES</b>		<u><u>33,085,455</u></u>	<u><u>40,703,958</u></u>

Approved by the Council members on **18TH MAY, 2018** and signed on its behalf



Mr. David Omwoyo  
Chief Executive Officer and Secretary to the Council



Mrs. Violet Tsigwa Awori  
Member of the Council



**MEDIA COUNCIL OF KENYA  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Fund Balance Kshs</b>	<b>Deferred Income Kshs</b>	<b>Total Kshs</b>
<b>Balance as at 30 June 2015</b>	36,057,128	12,000,000	48,057,128
Surplus for the period	(3,469,901)	-	(3,469,901)
Transfers to/from accumulated surplus	-	(6,000,000)	(6,000,000)
<b>Balance as at 30 June 2016</b>	<b>32,587,227</b>	<b>6,000,000</b>	<b>38,587,228</b>
Deficit for the period	(18,010,214)	-	(18,010,214)
Transfers to/from accumulated surplus	-	(6,000,000)	(6,000,000)
<b>Balance as at 30 June 2017</b>	<b>14,577,013</b>	<b>-</b>	<b>14,577,014</b>

**MEDIA COUNCIL OF KENYA  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2016-2017 Kshs	2015-2016 Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from Government	2	58,000,000	59,484,120
Licences and Permits	3	9,355,300	9,701,700
Other incomes/Conditional Grants	4	22,070,746	38,043,459
		<u>89,426,046</u>	<u>107,229,279</u>
<b>Payments</b>			
Employee Cost	5	41,391,678	40,891,953
Council Allowances	6	7,673,153	2,076,652
Depreciation and ammortiation expenses	7	5,056,412	6,140,477
Repair and Maintainance	8	113,650	203,926
General Expenses	9	53,201,367	61,386,171
		<u>107,436,260</u>	<u>110,699,180</u>
<b>Net cash flow from operating activities</b>		<u><u>(18,010,214)</u></u>	<u><u>(3,469,902)</u></u>
<b>Cash flow from investing activities</b>			
(Decrease)/Increase in receivables and prepayments	14	3,180,934	3,497,163
(Decrease)/Increase in trade payables	13	16,391,711	105,232
Purchase of property ,plant and equipments	12	-	(2,000,000)
<b>Net cash flow from investing activities</b>		<u>19,572,645</u>	<u>1,602,395</u>
<b>Cash flow from financing activities</b>			
Defered Income		<u>(6,000,000)</u>	<u>(6,000,000)</u>
<b>Net cash flow from financing activities</b>		<u><u>(6,000,000)</u></u>	<u><u>(6,000,000)</u></u>
<b>Net increase in cash and cash equivalents</b>		<u><u>(4,437,568)</u></u>	<u><u>(7,867,507)</u></u>
<b>Movement in cash and cash equivalents</b>			
At the start of the year		2,444,949	6,888,439
Increase		618,842	(4,443,490)
At the end of the year		<u>3,063,791</u>	<u>2,444,949</u>
<b>Represented by:</b>			
Bank Balance		186,502	2,436,618
Cash Balance		2,877,289	8,331
		<u>3,063,791</u>	<u>2,444,949</u>

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**MEDIA COUNCIL OF KENYA  
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2016/2017 BUDGETED</b>	<b>2016/2017 ACTUALS</b>	<b>2016/2017 VARIANCES</b>
<b>Revenue</b>			
	<b>Kshs</b>		
Transfers from Government	62,564,120	58,000,000	4,564,120
Licences and Permits(Subscriptions)	6,000,000	4,650,000	1,350,000
Licences and Permits(Accreditation fees)	9,000,000	4,705,300	4,294,700
<b>Conditional Grants</b>			
UNDP	-	9,431,000	(9,431,000)
UNESCO	-	1,605,697	(1,605,697)
European Union	-	511,000	(511,000)
HIVOS	-	224,438	(224,438)
OXFAM	-	2,219,062	(2,219,062)
International Media Support	-	1,699,528	(1,699,528)
IED	-	1,510,500	
Accrued Donor Grant	-	1,209,660	
Other income*	5,000,000	3,659,860	1,340,140
	<u>82,564,120</u>	<u>89,426,045</u>	<u>(4,141,765)</u>
<b>Expenses</b>			
<b>Employee Cost</b>			
Salaries and wages	58,666,727	41,391,678	17,275,049
	<u>58,666,727</u>	<u>41,391,678</u>	<u>17,275,049</u>
<b>Council Allowances</b>			
Board / Council expenses	16,340,000	7,673,153	7,657,550
	<u>16,340,000</u>	<u>7,673,153</u>	<u>7,657,550</u>
Depreciation expense	4,656,412	4,656,412	-
Ammortisation	400,000	400,000	-
<b>Repair and maintainance</b>			
Repairs and maintenance	782,086	113,650	214,865
	<u>782,086</u>	<u>113,650</u>	<u>214,865</u>
<b>General Expenses</b>			
Audit fees	577,632.00	473,600	104,032
Consulting fees	4,500,000	5,276,250	-776,250
Consumables and Cleaning expenses	3,368,634	2,151,458	1,217,176
Motor vehicles expenses	1,121,609	538,965	582,644
Insurance(GPA & GLA)	720,148	720,970	-822
Insurance (Staff medical cover)	6,543,182	6,365,326	177,856
Legal Expenses	800,000	0	800,000
Postage,courier and internet	100,000	927,362	-827,362
Printing and stationery	1,195,560	420,558	775,002
Travel and entertainment	5,000,000	11,950,118	-6,950,118
Bank charges	100,000	120,872	-20,872
Accomodation and conferencing	20,000,000	3,795,584	16,204,416
Staff Gratuity	4,000,000	2,977,501	1,022,499
Staff welfare	1,000,000	1,336,148	-336,148
Rental	13,627,484	8,578,985	5,048,499
ICT ,ERP and Telecommunication	5,559,107	2,506,945	3,052,162
Training	3,526,230	1,470,520	2,055,710
Others(Media Awards)	10,020,212	3,517,125	6,503,087
Publicity and Advertisement	5,500,000	73,080	5,426,920
Journalists Resource Centre	600,000	0	600,000
	<u>87,859,798</u>	<u>53,201,367</u>	<u>34,658,431</u>
<b>Total Expenditure</b>	<u>168,705,023</u>	<u>107,436,260</u>	<u>59,805,895</u>
<b>Surplus of income over expenditure</b>	<u>(86,140,903)</u>	<u>(18,010,214)</u>	<u>(63,947,660)</u>



**MEDIA COUNCIL OF KENYA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1 Accounting policies**

The principal accounting policies are set out below:

**(a) Statement of compliance and basis of preparation – IPSAS 1**

The Council's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Council and all values are rounded to the nearest Kshs. The accounting policies have been consistently applied to all the years presented.

**(b) Revenue Recognition**

**Subscriptions and donations**

Subscriptions and donations are recognized when received.

**Government grants**

Grants are recognised when they are received. Grants for the recurrent expenditures are recognised as income through the statement of comprehensive income over the period so as to matched against related costs incurred during the year.

Grants for capital expenditure (development grant) are recognised as deferred income under capital approach through statement of financial position per IPSA 23.

**(c) Property, plant and equipment – IPSAS 17**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment

Property, plant and equipment are depreciated over their estimated useful life, using reducing balance method, using the following annual rates:

The asset is not fully depreciated in the year of acquisition.

Furniture, fixtures and equipment	12.5%
Computers	30%
Motor Vehicle	25%
Media Monitoring System	20%
Ammortisation	20%

**(d) Intangible Asset**

An intangible asset is recognised when;

- it is probable that the future economic benefit that are attributable to the asset will flow to the entity and
- The cost of the asset can be measured reliably

**(e) Contingent liabilities**

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

**(f) Contingent assets**

The Council does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**(g) Changes in accounting policies and estimates – IPSAS 3**

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

**(h) Related party Disclosure (IPSAS 20)**

IPSAS 20 requires the disclosure of the existence of related parties and information about the transactions between related parties. These disclosures are required for accountability purposes and to allow a better understanding of the financial performance and position of the entity. The standard provides guidance on the identification of related parties and what information should be disclosed.

**(i) Leases**

Rentals payable under operating leases are charged to income as they accrue over the term of lease.

**(j) Financial Instruments Disclosure (IPSAS 30)**

IPSAS 30 describes the disclosure requirements that enable users of the financial statements to evaluate [IPSAS 30.1];

- the significance of financial instruments for the entity's financial position and performance

**(k) Translation of foreign currencies**

Transactions in foreign currencies during the year are converted into the functional currency, Kenya Shillings, using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation are recognized in the statement of comprehensive income

**(l) Receivables**

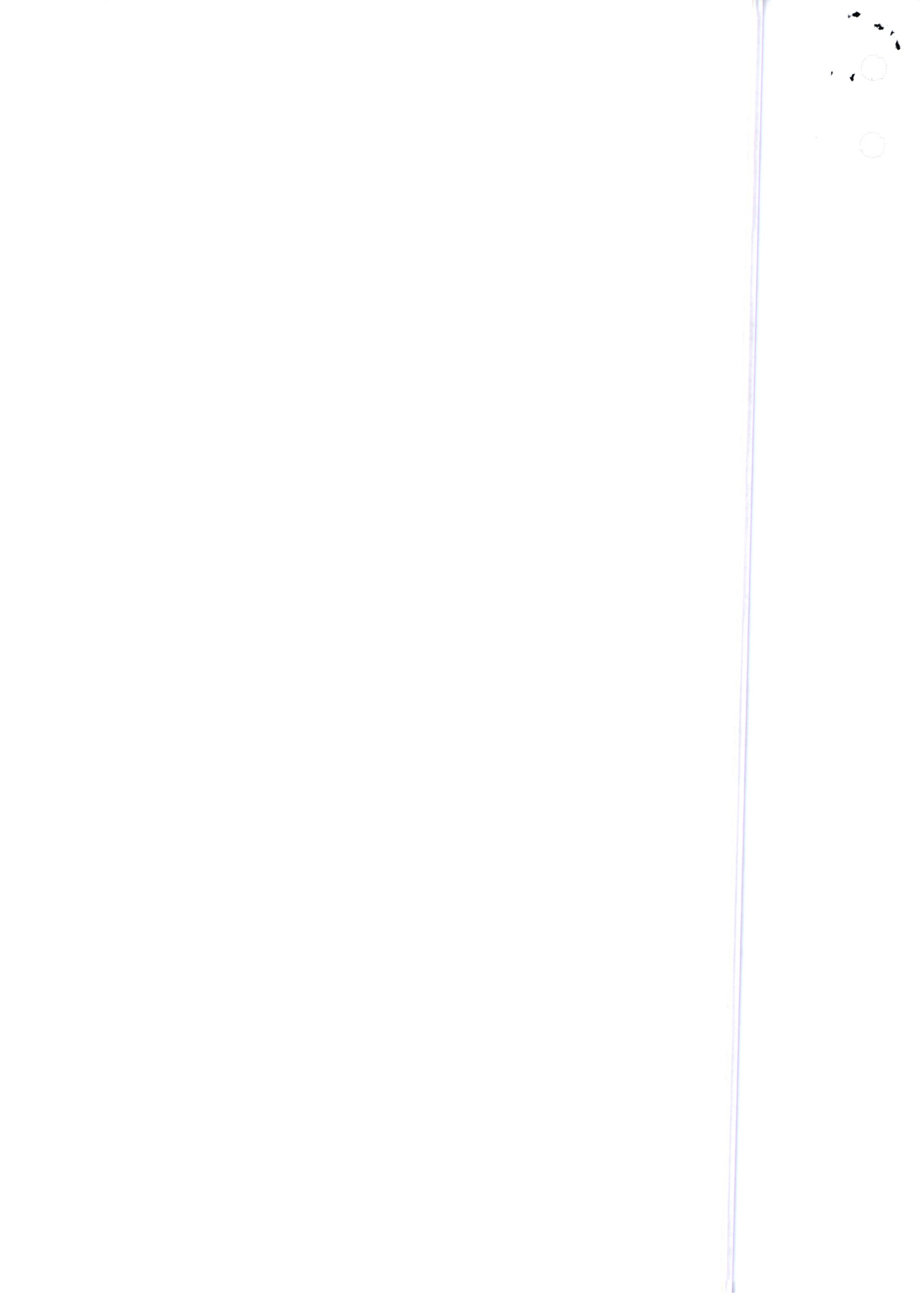
Subscriptions receivable are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

**(m) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and

**(n) Comparative figures**

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



**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**NOTES TO THE FINANCIAL STATEMENTS .... Contd.**

	<b>2017</b>	<b>2016</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>2 Transfers from Government</b>		
Government Recurrent Grant	58,000,000	59,484,120
Government Development Grant	-	-
	<u><b>58,000,000</b></u>	<u><b>59,484,120</b></u>

During the year the Government grant the council at total of Kshs 58,000,000 (2016: Kshs 59,484,120) for recurrent expenditures. The grant has been recognised as income in the statement of comprehensive income per IPSAS 23.

**3 Licences and Permits**

	<b>2017</b>	<b>2016</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Licences and Permits</b>		
Licences and Permits(Subscription)	4,650,000	4,836,000
Licences and Permits (Accreditation)	4,705,300	4,865,700
	<u><b>9,355,300</b></u>	<u><b>9,701,700</b></u>

**Subscriptions**

The Media Act 2007 empowers the Council by notice in the Kenya Gazette to impose a levy in respect of all media enterprises operating in Kenya. The Council was able to collect Kshs 4,650,000

**Accreditation Fees**

The Media Act 2007 empowers the Council by notice in the Kenya Gazette to impose an annual registration fee in respect of all journalists whose names appear in the Council. The Council collected Kshs 4,705,300

**4 Other incomes/Conditional Grants**

	<b>2017</b>	<b>2016</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Conditional Grants</b>		
UNDP	9,431,000	11,664,449
UNESCO	1,605,697	1,038,768
GIZ	-	1,798,116
Kenya Media Program	-	-
International Media Support	1,699,528	3,866,702
IED	1,510,500	2,000,000
GIBS	-	652,638
European Union	511,000	-
HIVOS	224,438	-
OXFAM	2,219,062	-
Accrued Donor Grant	-	10,246,906
	<u><b>17,201,225</b></u>	<u><b>31,267,579</b></u>
<b>Other income*</b>		
Media Awards donation	3,494,087	6,458,000
Sale of Tender/Miscellaneous	165,774	16,680
Donations	1,209,660	301,200
	<u><b>4,869,521</b></u>	<u><b>6,775,880</b></u>
<b>Total</b>	<u><b>22,070,746</b></u>	<u><b>38,043,459</b></u>



**MEDIA COUNCIL OF KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**NOTES TO THE FINANCIAL STATEMENTS .... Contd.**

	<b>2017 Kshs</b>	<b>2016 Kshs</b>
<b>5 Employee Cost</b>		
Salaries and wages	41,391,678	40,891,953
	<u>41,391,678</u>	<u>40,891,953</u>
The CEO's salary during the Financial Year 2016/2017 was Kshs 7,212,534		
<b>6 Council Allowances</b>		
Sitting Allowance	3,836,500	1,298,340
Mileage	543,981	72,912
Daily Subsistence Allowance (DSA)	1,030,450	120,000
PAYE	2,262,222	585,400
Board / Council expenses	<u>7,673,153</u>	<u>2,076,652</u>
<b>7(A) Depreciation expense</b>	<b>4,656,412</b>	<b>5,740,477</b>
<b>7(B) Ammortisation</b>	<b>400,000</b>	<b>400,000</b>
<b>8 Repair and maintainance</b>	<b>113,650</b>	<b>203,926</b>
Repairs and maintenance	<u>113,650</u>	<u>203,926</u>
<b>9 General Expenses</b>	<b>473,600.00</b>	<b>577,632.00</b>
Audit fees	5,276,250	10,140,616
Consulting fees	2,151,458	2,655,792
Consumables and Cleaning expenses	538,965	665,689
Motor vehicles expenses	720,970	620,148
Insurance(GPA & GLA)	6,365,326	5,461,255
Insurance (Staff medical cover)	-	13,600
Legal Expenses	927,362	1,245,839
Postage,courier and internet	420,558	1,919,879
Printing and stationery	11,950,118	1,375,305
Travel and Stakeholders Forums	120,872	103,315
Bank charges	3,795,584	9,033,470
Accomodation and conferencing	2,977,501	494,242
Staff Gratuity	1,336,148	1,080,204
Staff welfare	8,578,985	11,165,293
Rental	2,506,945	598,916
ICT ,ERP and Telecommunication	1,470,520	3,766,864
Training	3,517,125	10,020,212
Others(Media Awards)	73,080	368,640
Publicity and Advertisement	-	79,260
Journalists Resource Centre	<u>53,201,367</u>	<u>61,386,171</u>

The council is given a one line budget which is divided among the various expenditure items,during the year under review , the various additional vote heads were as a result of expenditures that could not fit in the existing expenditure items. The interview expense were incurred during the time time of carrying out interviews of Council members and Complaints Commissioners as the Act was amened to be in line with the requirement of the 2010 Constitution. Publicity and advertisement expense relates to expenditures incurred as a result of placing advertisements in local newspapers while resource centre expense was an expenditure incurred in relation to the setting up of a resource centre for journalists. NB: Publicity and advertisement and resource centre items were introduced during the year under audit to take care of this particular expenses.



**MEDIA COUNCIL OF KENYA**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**  
**NOTES TO THE FINANCIAL STATEMENTS .... Contd.**

		<b>15 Property, Plant and Equipment</b>					<b>Total Kshs</b>
		<b>Motor Vehicle Kshs</b>	<b>Computers Kshs</b>	<b>Office furniture &amp; equipment Kshs</b>	<b>Office Partitioning Kshs</b>	<b>Media Monitoring System Kshs</b>	
<b>Year ended 30 June 2017:</b>							
<b>Cost</b>							
As 1 July 2016	7,563,055	7,511,310	10,438,348	15,865,839	31,324,976	72,703,527	
Acquisitions	-	-	-	-	-	-	
At 30 June 2017	<u>7,563,055</u>	<u>7,511,310</u>	<u>10,438,348</u>	<u>15,865,839</u>	<u>31,324,976</u>	<u>72,703,527</u>	
<b>Depreciation</b>							
As 1 July 2016	6,007,563	6,079,207	5,156,034	7,023,940	20,963,070	45,229,814	
Charge for the year	388,873	429,631	660,289	1,105,237	2,072,381	4,656,412	
At 30 June 2017	<u>6,396,436</u>	<u>6,508,838</u>	<u>5,816,323</u>	<u>8,129,177</u>	<u>23,035,451</u>	<u>49,886,226</u>	
<b>Net Book Value</b>							
At 30 June 2017	<u>1,166,619</u>	<u>1,002,472</u>	<u>4,622,024</u>	<u>7,736,662</u>	<u>8,289,525</u>	<u>22,817,303</u>	
<b>Year ended 30 June 2016:</b>							
<b>Cost</b>							
As 1 July 2015	7,563,055	7,511,310	10,438,348	15,865,839	31,324,976	72,703,527	
Acquisitions	-	-	-	-	-	-	
At 30 June 2016	<u>7,563,055</u>	<u>7,511,310</u>	<u>10,438,348</u>	<u>15,865,839</u>	<u>31,324,976</u>	<u>72,703,527</u>	
<b>Depreciation</b>							
As 1 July 2015	5,489,066	5,465,449	4,401,418	5,760,811	18,372,593	39,489,337	
Charge for the year	518,497	613,758	754,616	1,263,129	2,590,477	5,740,477	
At 30 June 2016	<u>6,007,563</u>	<u>6,079,207</u>	<u>5,156,034</u>	<u>7,023,940</u>	<u>20,963,070</u>	<u>45,229,814</u>	
<b>Net Book Value</b>							
At 30 June 2016	<u>1,555,492</u>	<u>1,432,103</u>	<u>5,282,314</u>	<u>8,841,900</u>	<u>10,361,906</u>	<u>27,473,713</u>	

**7(B) Intangible Asset**  
 Opening Balance  
 Additions  
 Ammortisation  
 Closing Balance

	<b>2017 Kshs</b>	<b>2016 Kshs</b>
Opening Balance	1,200,000	1,600,000
Additions	-	-
Ammortisation	(400,000)	(400,000)
Closing Balance	<u>800,000</u>	<u>1,200,000</u>



**MEDIA COUNCIL OF KENYA  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017  
NOTES TO THE FINANCIAL STATEMENTS .... Contd.**

	2017 Kshs	2016 Kshs
<b>10 Cash and cash equivalents</b>		
Standard Chartered Bank Kenya Limited	186,502	653,694
Standard Chartered Bank Kenya Limited (Donor a/c)	2,877,289	1,782,924
Petty cash	-	8,331
	<u>3,063,791</u>	<u>2,444,949</u>
<b>11 Receivables from Non-exchange transactions</b>		
Staff debtors	1,523,336	2,261,043
Prepayments	3,293,534	5,695,666
Deposits	1,587,492	1,628,587
	<u>6,404,362</u>	<u>9,585,296</u>
<b>12 Trade and other payables from exchange transactions</b>		
Payroll payable	23,626	147,480
Accrued audit and Accountancy fees	473,600.00	577,632
Other payables	9,186,297.00	-
Sundry creditors	8,824,918	1,391,618
	<u>18,508,441</u>	<u>2,116,730</u>
<u>NB:Sundry Creditors</u>		
Accrued expense	8,720,518	1,287,218
Withholding Tax 2009	38,525	38,525
Withholding Tax 2010	28,875	28,875
Withholding Tax 2013	37,000	37,000
	<u>8,824,918</u>	<u>1,391,618</u>
<b>13 Deferred income on Government development grant</b>		
Brought forward	6,000,000	12,000,000
Amortised through income statement during the year (note 10)	(6,000,000)	(6,000,000)
Carried down	-	<u>6,000,000</u>
<b>14 Fund balance</b>		
Reserves	32,587,228	36,057,128
Accumulated Surplus	(18,010,214)	(3,469,901)
	<u>14,577,014</u>	<u>32,587,228</u>
<b>16 Reporting currency</b>		
The Financial Statements are reported in Kenya Shillings (Kshs).		
<b>17 Registration</b>		
The Media Council of Kenya was registered as a corporate body under The Media Act (Cap 411B) on 1 October 2007. The Act was repealed in 2013.		

