

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

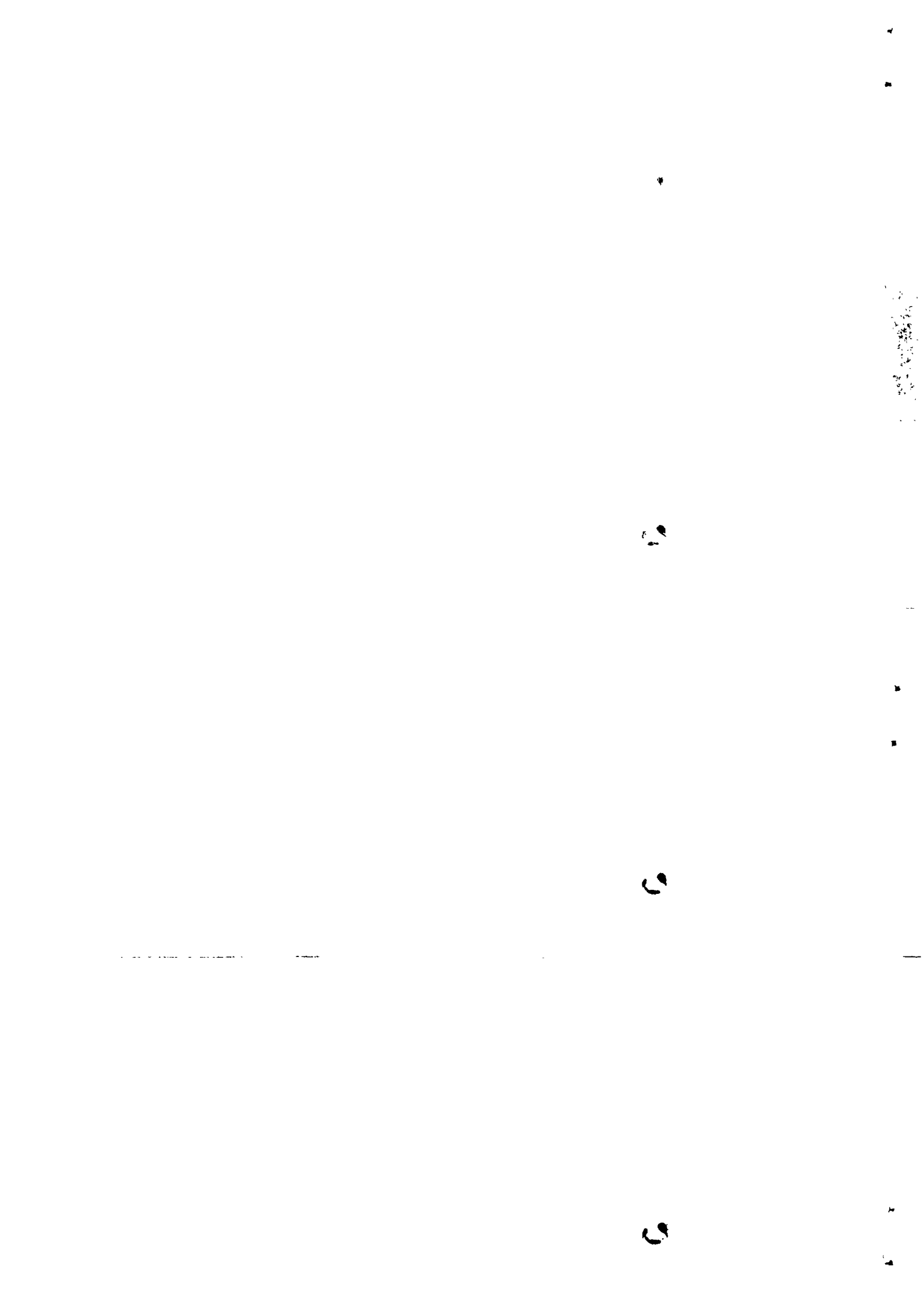


**REPORT  
OF  
THE CONTROLLER  
AND AUDITOR-GENERAL**

**ON**

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**THE FINANCIAL STATEMENTS OF  
KENYA MEDICAL LABORATORY  
TECHNICIANS AND TECHNOLOGISTS  
BOARD FOR THE YEAR ENDED 30  
JUNE 2009**



**THE KENYA MEDICAL LABORATORY  
TECHNICIANS & TECHNOLOGISTS  
BOARD.**

- 8 DEC 2009

**FINANCIAL STATEMENTS AND REPORT  
AS AT 30<sup>TH</sup> JUNE 2009.**

**THE KENYA MEDICAL LABORATORY TECHNICIAN  
AND TECHNOLOGIST BOARD.**

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**THE KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD.**

**1. Establishment of the Board**

The Board was established by an act of parliament, MLTT Act No. 10 of 1999, to amongst other functions to regulate the operations of medical laboratory function in the country.

The first Board was inaugurated in the year 2000.

**Functions of the Board**

The board functions are as enumerated below, and include:

- Regulate the professional conduct of registered laboratory technicians and technologists.
- Licence and regulate business practices of technologists and technicians.
- Approve institutions for training technologists.
- Register technicians and technologists.
- Approve courses of institutions for laboratory technologists and technicians.

2. STATEMENT OF THE BOARD'S RESPONSIBILITIES.

The Board is required to prepare financial statements, which give a true and fair view of the state of affairs of the Board as at the end of the financial year and of its surplus or deficit for that year. The Board is required to ensure that the Board maintains proper accounting records, which disclose with reasonable accuracy the financial position of the Board. The Board is also responsible for safeguarding the assets of the Board.

The Board accepts responsibility for the 2008/2009 financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates, consistent with previous years and in conformity with the International Financial Reporting Standards. The Board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Board as at 30<sup>th</sup> June 2009 and its surplus for the year ended.

The Board further confirms the accuracy and completeness of the accounting records maintained by the Board, which have been relied upon on the preparation of the financial statements as well as the adequacy of the systems of internal controls.

Name: DAN OWITI .....

Name: DR. JOSEPH MWAMLSI .....

Designation: REGISTRAR .....

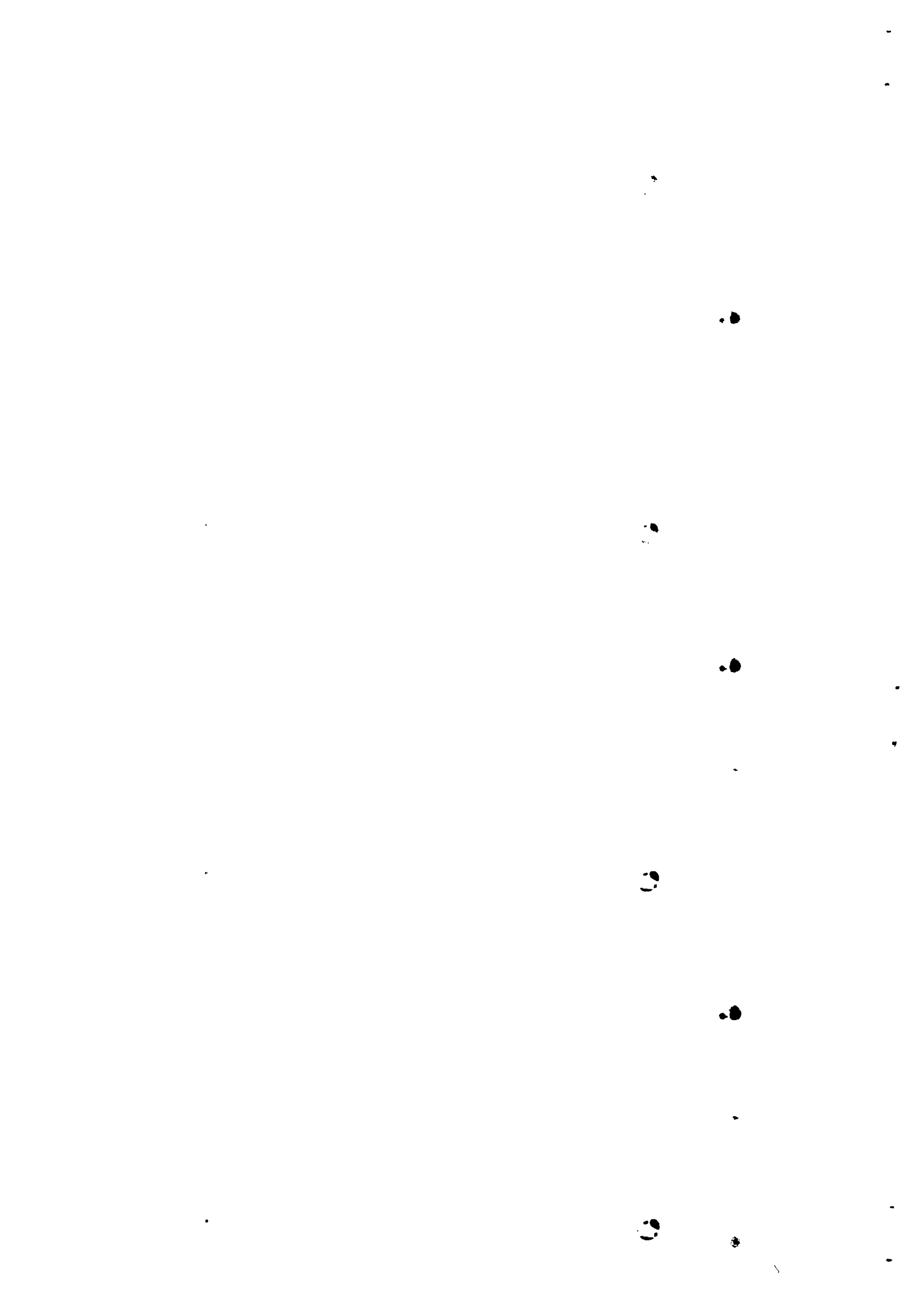
Designation: CHAIRMAN .....

Signed: [Signature] .....

Signed: [Signature] .....

Date: 27/11/2009 .....

Date: 27/11/09 .....



**THE KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD.**

**3. List of Board Members**

The following were the members of the current board inaugurated on 25<sup>th</sup> Oct 2007:

1. Dr. Joseph Mwamisi **Chairman**
2. Dan O. Owiti **Registrar**
3. Wilfred Emonyi
4. Maurice Adoyo -Adoyo
5. Raphael Gikera
6. Grace Mokua
7. Paul Mukundi
8. Odowa Abdirahman
9. Jackson Abuya Abuya
10. Prof. E. Mwachiro
11. Dr. Eric Muchiri
12. Viterlis Wafula Sitati
13. Ndungu Gakungu
14. Mamo Umuro
15. Laban Onono
16. Wilson Njeru Kaaria
17. Moses Lorre

The Boards mandate will run for 3 years.





## **KENYA NATIONAL AUDIT OFFICE**

### **REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KENYA MEDICAL LABORATORY TECHNICIANS AND TECHNOLOGISTS BOARD FOR THE YEAR ENDED 30 JUNE 2009**

I have audited the financial statements of Kenya Medical Laboratory Technicians and Technologists Board set out at pages 5 to 14 which comprise the balance sheet as at 30 June 2008, the income statement, the statement of changes in accumulated fund and the cash flow statement for the year then ended together with a summary of significant accounting policies and other explanatory notes in accordance with the provisions of 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.

#### **Board's Responsibility for the Financial Statements**

The Board is responsible for the preparation of financial statements, which give a true and fair view of the Board's state of affairs and its operating results in accordance with the International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Responsibility of the Controller and Auditor General**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 Board's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board members as well as evaluating the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

### **1. Trade Payables**

Included in the trade payables balance of Kshs.9,716,891 as at 30 June 2009 is an amount of Kshs.9,072,091 relating to Pay As You Earn (PAYE). As reported in 2007/2008 the Board did not remit to the Kenya Revenue Authority (KRA) PAYE for the period January 2002 to 30 April 2006 which was assessed at Kshs.8,009,426 plus interest of Kshs:1,062,665 on arrears. Although the management has indicated that negotiations with KRA for settlement of the arrears are in progress, no evidence of such negotiations was however produced for audit verification. Further, penalties and interest on the arrears for the year under review have not been accrued in these financial statements. Consequently, it has not been possible to confirm the accuracy of the creditors figure of Kshs.9,716,891 as at the balance sheet date.

### **2. Financial Position**

During the year ended 30 June 2009, the Board realized a surplus of Kshs.769,142. However, the balance sheet as at the same date reflects a negative working capital of Kshs.6,353,168 (2007/2008 - negative Kshs.7,144,749) and negative accumulated fund of Kshs.5,700,151 (2007/2008 - negative Kshs.6,496,293). The Board is therefore technically insolvent and its continued operation as a going concern is uncertain.

### **Opinion**

Except for the reservations set out in the preceding paragraphs, in my opinion proper books of account have been kept and the accompanying financial statements give a true and fair view of the state of the financial position of the Board as at 30 June 2009 and of its surplus and cash flows for the year then ended in accordance with the Medical Laboratory Technicians and Technologists Board Act, 1999.



**A. S. M. GATUMBU**  
**CONTROLLER AND AUDITOR GENERAL**

Nairobi

1 October 2009

**KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD**

**INCOME STATEMENT FOR THE YEAR ENDED 30.06.2009**

	<u>2008 / 2009</u>	<u>2007 / 2008</u>
<b><u>INCOME</u></b>		<b><u>Kshs.</u></b>
Income	15,380,280	10,395,610
Other Income	25,072	7,372
	<b><u>15,405,352</u></b>	<b><u>10,402,982</u></b>
<b>LESS EXPENDITURE</b>		
Board Allowances	9,477,613	7,006,250
Bank Charges	118,200	80,092
Stationery	898,232	996,118
Audit fees	300,000	150,000
Depreciation	115,670	105,764
Personnel Emolument	1,444,358	1,217,750
Postage	304,605	131,210
Telephone	80,400	111,600
Transport	61,620	59,530
Others	1,808,512	561,877
<b>TOTAL EXPENDITURE</b>	<b><u>14,609,210</u></b>	<b><u>10,420,191</u></b>
<b>SURPLUS / DEFICIT</b>	<b><u>796,142</u></b>	<b><u>-17,209</u></b>

**KENYA MEDICAL LABORATORY TECHNICIANS  
AND TECHNOLOGISTS BOARD.**

**BALANCE SHEET AS AT 30TH JUNE 2009.**

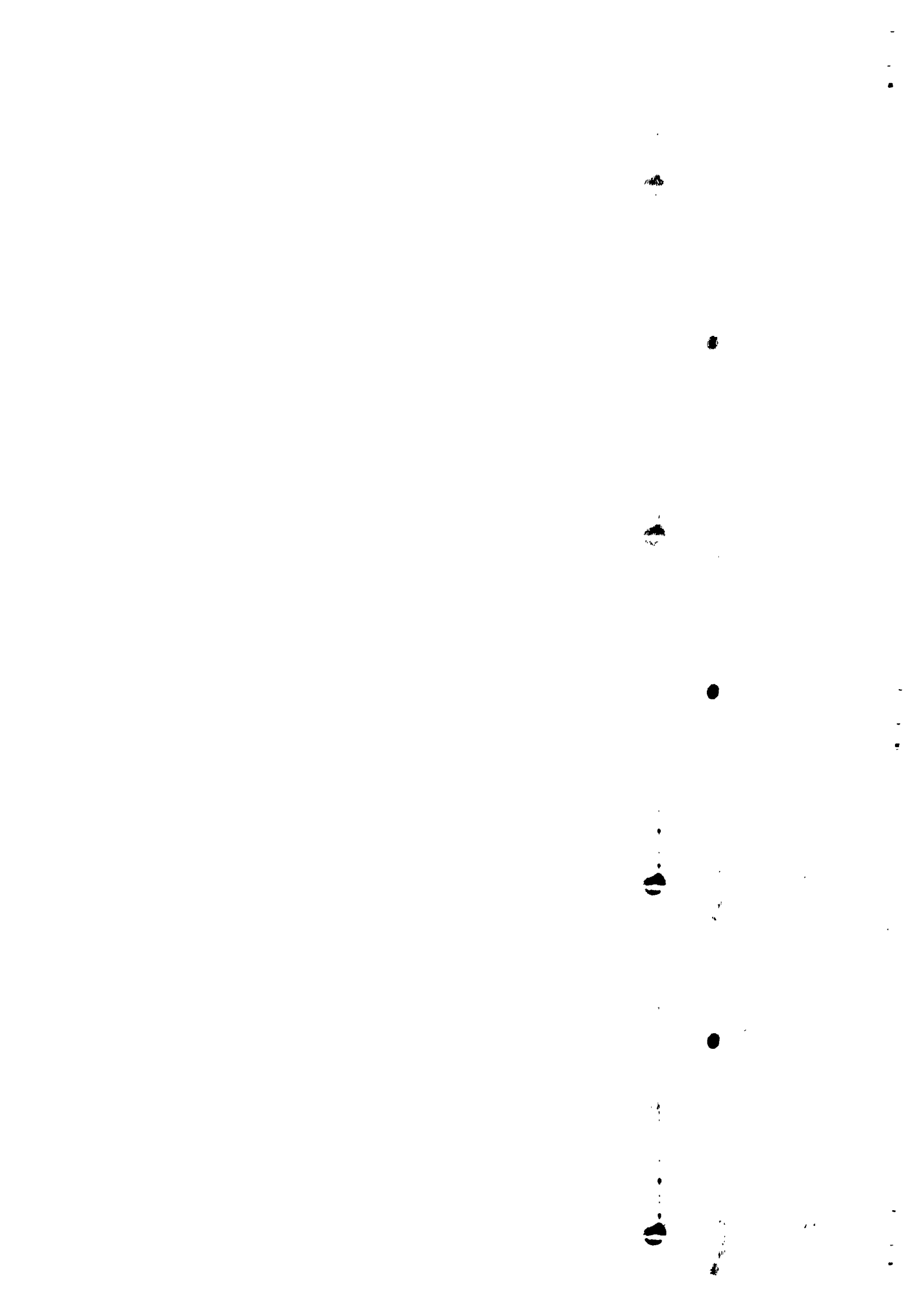
		<u>2008/2009</u>	<u>2007/2008</u>
	NOTES	Kshs.	Kshs.
<b><u>NON CURRENT ASSETS.</u></b>			
Property, Plant & Equipment	2	652,016	648,501
<b><u>CURRENT ASSETS.</u></b>			
Cash & Bank Balances	3	1,708,723	817,149
Receivables	4	<u>1,656,000</u>	<u>1,784,000</u>
<b>TOTAL ASSETS</b>		<b><u>4,016,739</u></b>	<b><u>3,249,650</u></b>
<b>FINANCED BY:</b>			
<b>ACCUMULATED FUND &amp; LIABILITIES</b>			
ACCUMULATED FUND		-5,700,151	-6,496,293
<b>CURRENT LIABILITIES.</b>			
Bank Overdraft		0	29,052
Payables	5	<u>9,716,891</u>	<u>9,716,891</u>
		9,716,891	<u>9,745,943</u>
		<b><u>4,016,739</u></b>	<b><u>3,249,650</u></b>

	Signed	Date
Chairman.....	<i>DR. JOSEPH MWAMISI</i>	<i>27-11-09</i>
Registrar.....	<i>[Signature]</i>	<i>[Signature]</i>

**KENYA MEDICAL LABORATORY TECHNICIANS  
AND TECHNOLOGISTS BOARD.**

**STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR  
ENDED 30TH JUNE 2009.**

	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
Bal b/d	-6,496,293	-6,479,084
Net surplus/deficit for the year	796,142	-17,209
Bal c/d	<b><u>-5,700,151</u></b>	<b><u>-6,496,293</u></b>



**KE NYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.**

**CASH FLOW STATEMENT.**

**FOR THE YEAR ENDED 30.06.2009.**

	<u>NOTES.</u>	<u>2008/2009</u> <u>Kshs.</u>	<u>2007/2008</u> <u>Kshs.</u>
NET PROFIT BEFORE TAX		796,142	-17,209
<u>ADJUSTMENTS.</u>			
Depreciation	2	115,670	105,764
<b>CASH FLOW FROM OPERATIONS.</b>		<b>911,812</b>	<b>88,555</b>
<b>WORKING CAPITAL CHANGES.</b>			
Increase in Creditors		0	126,000
Increase in Debtors		<u>128,000</u>	<u>0</u>
		128,000	126,000
		<b><u>1,039,812</u></b>	<b><u>214,555</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES.</b>			
Purchase of Fixed Assets		-119,185	-7,995
Decrease / Increase in Cash & Cash Equivalents		920,627	206,560
Cash and Cash equivalent at the beginning of the period		788,097	581,536
Cash & Cash Equivalents at the end of the period	3	<b><u>1,708,723</u></b>	<b><u>788,096</u></b>



**THE KENYA MED.LAB. TECHNICIAN AND TECHNOLOGISTS BOARD.**

**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2009.**

**1. Accounting Policies.**

The principal accounting policies adopted are as follows: -

**a) Basis of Preparation.**

The financial statements have been prepared under historical cost convention.

**b) Property, Plant and Equipment.**

Depreciation on assets is calculated to write of the cost of valuation in equal annual instalments over their estimated useful lives.

The annual rates in use are:-

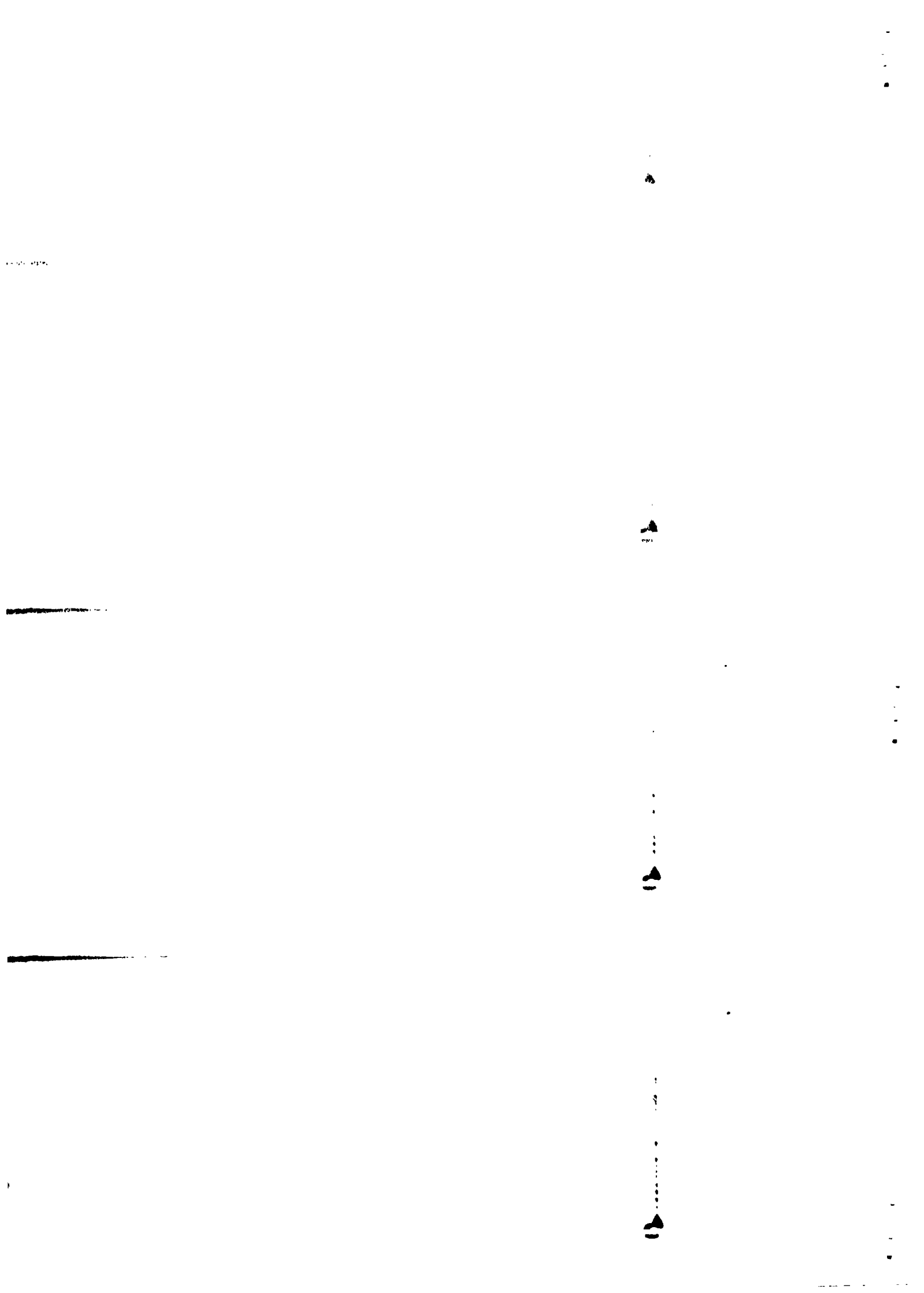
	<b>Percentage (%)</b>
• Furniture and office equipment	12.5
• Mobile phones & Computers	30

**(c) Cash and Cash equivalents.**

This include cash in hand and in bank.

**(d) Revenue recognition.**

Revenue is recognised when received.



**THE KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD.**

e) **Retirement benefit obligation.**

Employee entitlements.

Employees contribute Kshs.200 to N.S.S.F and the employer pays Kshs. 200

The total amount contributed is Ksh.400.

There is no other pension in place.

f) **Principal activities.**

- Regulate the professional conduct of registered laboratory technicians and technologists.
- Licence and regulate business practices of technologists and technicians.
- Approve institutions for training technologists.
- Register technicians and technologists.
- Approve courses of institutions for laboratory technologists and technicians.

**KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.**  
**AS AT 30.06.09**

**2 Property, Plant & Equipment**

	FURNITURE & MOBILE PHONES FITTINGS COMPUTERS		TOTAL
	<u>Kshs.</u> 12.5%	<u>Kshs..</u> 30%	<u>Kshs.</u>
<b><u>N.B.V</u></b>			
<b>As at July 1, 2008</b>	<b>602,579</b>	<b>45,922</b>	<b>648,501</b>
Additions in the year	52,485	66,700	119,185
Revaluation	0	0	0
Disposals During the Year	0	0	0
 <b>As at June 30, 2009</b>	 <b><u>655,064</u></b>	 <b><u>112,622</u></b>	 <b><u>767,686</u></b>
 <b><u>DEPRECIATION</u></b>			
<b>As at July 1,2008</b>	<b>491,298</b>	<b>45,048</b>	<b>536,346</b>
Charge for Disposal	0	0	0
Charge for the year	81,883	33,787	115,670
As at June 30, 2009	573,181	78,835	652,016
 <b>NET BOOK VALUE 30.06.2008</b>	 <b><u>602,578</u></b>	 <b><u>45,922</u></b>	 <b><u>648,501</u></b>

**KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.**  
**AS AT 30.06.09**

**3 CASH & BANK BALANCES**

	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
Cash in hand	<b>85,358</b>	<b>7,937</b>
Saving Account	<b><u>1,557,624</u></b>	<b><u>809,212</u></b>
	<b><u>1,642,982</u></b>	<b><u>817,149</u></b>
Current Account	<b><u>65,741</u></b>	<b><u>-29,052</u></b>
	<b><u>1,708,723</u></b>	<b><u>788,097</u></b>

**KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.**  
**AS AT 30.06.09**

<b>4</b>	<b>DEBTORS</b>	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b>K.M.T.C Inspection fees</b>	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
	Nairobi	184,000	184,000
	Nakuru	184,000	184,000
	Kitui	184,000	184,000
	Kisumu	184,000	184,000
	Machakos	184,000	184,000
	Mombasa mtc	184,000	184,000
	Nyeri	184,000	
	Embu	184,000	
	Kakamega	184,000	
	Kenyatta University		496,000
	Mombasa polytechnic		184,000
		<b><u>1,656,000</u></b>	<b><u>1,784,000</u></b>

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**KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD****AS AT 30.06.09****5 CREDITORS**

	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
Finance and advertisement	92,800	92,800
Punch Lines	252,000	252,000
Tax Arrears	9,072,091	9,072,091
Audit Arrears	150,000	150,000
Prov.for Audit fees	150,000	150,000
	<b><u>9,716,891</u></b>	<b><u>9,716,891</u></b>

**6 INCOME**

	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
Application	308,850	276,600
Registration	2,799,460	2,419,400
Inspection	3,580,000	1,071,000
Exams	6,744,970	4,853,960
Attachment	798,700	974,900
Cert of practice	1,148,300	799,750
Interest Earned	25,072	7,372
	<b><u>15,405,352</u></b>	<b><u>10,402,982</u></b>

**7 BOARD ALLOWANCES.**

	<b><u>2008/2009</u></b>	<b><u>2007/2008</u></b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
Full Board Allowances	502,165	861,600
Registration	636,245	298,600
Education	5,803,973	4,218,450
Standard	1,045,920	121,100
Finance & Administration	133,040	318,700
Disciplinary	0	66,700
Responsibility	972,000	864,000
Duty allowances	384,270	257,100
	<b><u>9,477,613</u></b>	<b><u>7,006,250</u></b>

KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD

YEAR ENDED 30TH JUNE 2009

	Ledger Folio	Debit	Credit
Cash	1	85,358	
Closing balance	-Current a/c	65,741	
	-Savings a/c	1,557,624	
Debtors	2	1,656,000	
Finance & Adm. Allowances	3	133,040	
Education Committee Allowances	4	5,803,973	
Standard Committee Allowances	5	1,045,920	
Registration Committee Allowances	6	636,245	
Full Board Allowances	7	502,165	
Disciplinary Responsibility	8	0	
	9	972,000	
Duty Allowances	10	384,270	
Salaries and Wages	11	1,444,358	
Stationery	12	898,232	
Fixed Assets: N.B.V	13	648,501	
Additions		119,185	
Postages	14	304,605	
Telephone	15	80,400	
Transport	16	61,620	
Others	17	1,808,512	
Bank Charges	18	118,200	
Professional Audit fees	19	300,000	
Application fees	22		308,850
Registration fees	23		2,799,460
Annual Certificate fees	24		1,148,300
Examinations fees	25		6,744,970
Attachment fees	26		798,700
Inspections fees	27		3,580,000
Interest earned	28		25,072
Creditors			9,716,891
Appropriation account		6,496,293	
<b>TOTALS</b>		<b>25,122,243</b>	<b>25,122,243</b>