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REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
ACCOUNTS OF THE PEST CONTROL PRODUCTS BOARD FOR THE
YEAR ENDED 30 JUNE 2001

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
ACCOUNTS OF THE PEST CONTROL PRODUCTS BOARD FOR THE
YEAR ENDED 30 JUNE 2001**

I have examined the accounts of Pest Control Products Board for the year ended 30 June 2001 in accordance with the provisions of section 29 of the Exchequer and Audit Act, (Cap 412). I have obtained all the information and explanations, considered necessary for the purpose of the audit. Proper books of account have been kept and the Accounts which have been prepared under the historical cost convention are in agreement therewith.

In my opinion, the Accounts, when read together with the notes thereon, present fairly the financial state of affairs of the Board as at 30 June 2001 and of its deficit and cash flow for the year ended on that date.


D.G. NJOROGE
CONTROLLER AND AUDITOR GENERAL

Nairobi

24 September, 2003

BALANCE SHEET AS AT 30TH JUNE, 2001

OFFICE OF THE CONTROLLER
AND AUDITOR - GENERAL
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ANNIVERSARY TOWERS, NAIROBI

REPRESENTED BY:

	<u>2001</u>	NOTES	<u>2000</u>	<u>2000</u>
Fixed Assets	36,281,876.90		36,974,579.00	72,974,579.00
Investments	20,000,000.00	7	20,000,000.00	
Work in Progress	16,000,000.00	6	16,000,000.00	
	72,281,876.90			72,974,579.00

CURRENT ASSETS

Bank/Cash Balances	7,306,431.15	2	10,979,514.65	
Debtors	163,328.00	11	346,393.00	
Prepayments	444,457.60	5	378,639.00	
	<u>7,914,216.75</u>		<u>11,704,546.65</u>	

CURRENT LIABILITIES

Creditors	178,000.00	10	3,407,949.00	
Provisions for Audit Fees	100,000.00	3	300,000.00	
Interest in Advance	52,777.00		343,124.00	
	<u>330,777.00</u>		<u>4,051,073.00</u>	


Net current Assets 7,583,439.75 7,653,473.65

79,865,316.65 80,628,052.65


FINANCED BY:

Capital Reserves	34,942,682.00		34,942,682.00	
Accumulated Fund	46,017,401.80	12	38,966,895.00	
Surplus/(Deficit)	<u>(1,094,767.15)</u>		<u>6,718,475.00</u>	
	<u>79,865,316.65</u>		<u>80,628,052.00</u>	

The attached notes form an integral part of the Accounts



G.N. Kibata
Ag. Chairman



P.M. Amukoa
Secretary/Chief Executive

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 2001

INCOME

	<u>2000/2001</u>	<u>1999/2000</u>
Miscellaneous Receipts	7,500.00	145,375.85
Interest on Investment	1,781,246.90	1,665,725.00
License Fees Income	15,421,454.94	18,597,262.80
Government Grants	2,520,000.00	2,400,000.00
	<u>19,730,201.84</u>	<u>22,808,363.65</u>

EXPENDITURE

Personal Emoluments	2,120,954.25	2,643,760.90
House Allowance	2,930,219.70	2,339,211.00
Passage & Leave Allowance	234,000.00	123,000.00
Service Gratuity	886,115.15	298,062.65
Transport Operating Expenses	1,869,561.20	1,504,054.25
Traveling & Accommodation	3,070,037.20	1,594,700.00
Postal and Telegram	44,530.50	41,742.00
Telephone Expenses	381,428.10	293,764.10
Official Entertainment	262,260.00	168,272.00
Other Personal Allowances	1,543,237.45	1,306,767.20
Computer Expenses	44,590.00	-
Purchase of Stationary	166,848.00	86,138.00
Miscellaneous & other Charges	620,906.89	137,720.00
Fees, Commission & Honoraria	1,145,502.00	239,000.00
External Traveling	234,446.40	33,675.00
Maintenance of Plant & Machinery & Equipment	124,222.00	91,491.20
Maintenance of Buildings & Stations	238,530.00	22,020.00
Company N.S.S.F Contribution	16,080.00	15,120.00
Insurance	317,487.65	350,430.95
Bank Charges	109,393.55	131,461.50
Library Expenses	28,432.50	68,663.00
Medical Allowances	1,057,858.80	1,014,376.00
Medical Expenses - Inpatient	60,252.00	103,603.50
Printing & Publication	121,847.00	26,200.00
Rent & Rates (Non-residential)	855,161.90	870,416.00
Ex-Gratia in-patient (Medical)	-	41,421.75
Expenses Board Committees & Conferences	89,381.00	30,029.00
Purchase of Staff Uniform	79,470.00	18,000.00
A.S.K. Show Expenses	4,400.00	3,200.00
Training Expenses	80,190.00	9,500.00
Purchase of Pesticides	680.00	
Contracted Professional fees	90,000.00	
Depreciation Expenses	1,796,945.75	1,868,972.00
Audit fees	200,000.00	100,000.00
Provision for bad & doubtful debts	-	515,116.00

Surplus/ (Deficit)

	<u>(1,094,767.15)</u>	<u>6,718,475.65</u>
	<u>19,730,201.84</u>	<u>16,089,888.00</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2001

	(Kshs.)
<u>Cash flow from Operating Activities</u>	(1,094,767.15)
Surplus (Deficit) for the year	
<i>Adjustments:</i>	1,796,945.75
Depreciation	(1,781,246.90)
Interest on Investment	(2,520,000.00)
Government Grants	(3,599,068.30)
Operating profit before working capital changes	
<i>Changes:</i>	183,065.00
Decrease in Debtors	(3,364,021.50)
Decrease in Creditors <i>Note 1</i>	(200,000.00)
Decrease in Provisions	(65,818.60)
Increase in Prepayment	(290,347.00)
Decrease in interest in Advance	
	(7,336,190.40)
Cash Flow From operating activities	
<u>Cash Flow From Investment Activities</u>	(638,140.00)
Purchase of fixed assets	1,781,246.90
Interest on investment	1,143,106.90
Net cash flow from investment activities	
<u>Cash Flow From Financing Activities</u>	2,520,000.00
Government grants	(3,673,083.50)
Net Increase in Cash	10,979,514.65
Cash at the beginning of the period	7,306,431.15
Cash at the end of the Period	7,306,431.15

Note 1

Increase in Creditors 2000/2001

		<u>Creditors Account</u>
		Bal. B/f from 1999/2000 3,407,949.00
		Gratuity Virginia Kimani 134,072.50
<i>Decrease</i>	3,364,021.50	
<i>Balance C/d</i>	178,000.00	
	3,542,021.50	3,542,021.50

Notes To The Accounts For The Year Ended 30th June 2001

1. Accounting Conventions

- (a) The accounts have been prepared under the historical cost Convention.
- (b) Equipment and furniture have been depreciated at 12.5% on and motor vehicles at 25% on a straight line basis.

2. Cashbook Balances (30th June 2001)

	<u>Amount (Shs.)</u>
Revenue A/c No. 200-770-359	5,178,305.50
Operations A/c No. 200-771-681	2,123,187.65
Cash in hand	4,938.00
Total	<u><u>7,306,431.15</u></u>

3. Audit Fees Provision

Audit fees	2000/2001	100,000.00
		<u><u>100,000.00</u></u>

4. Government Grants Received

<u>Date</u>	<u>Receipt</u>	<u>Respect of:</u>	
8-Sep-2000	5063	Jul & Aug 00	420,000.00
4-Oct-2000	5163	Sep-00	210,000.00
3-Nov-2000	5317	Oct-00	210,000.00
4-Dec-2000	5471	Nov-00	210,000.00
18-Jan-2001	5640	Dec-00	210,000.00
12-Feb-2001	5736	Jan-01	210,000.00
8-Mar-2001	5871	Feb-01	210,000.00
29-Mar-2001	5936	Mar-01	210,000.00
8-May-2001	6122	Apr-01	210,000.00
5-Jun-2001	6332	May-01	210,000.00
27-Jun-2001	6489	Jun-01	210,000.00
Total			<u><u>2,520,000.00</u></u>

5. Prepayment Schedule

<u>Particulars</u>		
Photocopier Contract		1,794.25
Insurance	Assets	8,919.50
	Vehicles	32,356.00
	GPA	<u>111,667.00</u>
Land Rates (City Council)		122,656.85
Land Rent (Commissioner of lands)		150,000.00
Subscription of Newspapers		
	Nation	3,253.00
	Kenya Gazette	5,437.50
	Standard	<u>261.00</u>
Internet service		8,951.50
		<u>8,112.50</u>
Total		<u><u>444,457.60</u></u>

6. Work In Progress

The payment of Shs. 16 Million to M/s Mode Architects by the then Secretary and Chairman of the PCPB was irregular hence no sanctioned by the Board. The PCPB has since categorically dissociated themselves from this transactions.

7. Investments

	<u>Amount (Shs.)</u>
Bal B/F 1999/2000	20,000,000.00
Addition 2000/2001	-
Total	<u><u>20,000,000.00</u></u>

8. Interest on Investment (Treasury Bills)

	<u>Period</u>		
01-Jul-00	to	18-Sep-00	343,123.50
19-Sep-00	to	18-Dec-00	423,640.00
27-Dec-00	to	26-Mar-01	533,630.00
09-Apr-01	to	30-Jun-01	480,853.40
		Total	<u><u>1,781,246.90</u></u>

9. License Fees Income

<u>Month</u>		
July	782,921.00	
August	1,237,866.48	
September	1,245,149.62	
October	967,713.60	
November	1,176,910.70	
December	813,401.80	
January	1,140,904.44	
February	1,513,167.28	
March	1,543,598.12	
April	1,408,510.05	
May	2,083,710.90	
June	1,507,600.95	
	Total	<u><u>15,421,454.94</u></u>

10. Creditors Schedule

1 Auditor General Corp.	100000.00
2 Sitting Allowance to board members	78000.00
	<u><u>178000.00</u></u>

11. Debtors Schedule

Amount (shs.)

Dishonored Cheques			
	2000/2001	17,400.00	
	Prior Years	<u>190,523.00</u>	207,923.00
Shortages in the accounts			470,521.00
<u>Less:</u>			
Provision for bad & doubtful debts:			
	Shortages	470,521.00	
	Prior Year Dishonored Cheques	<u>44,595.00</u>	(515,116.00)
			<u><u>163,328.00</u></u>

12. Prior Year Adjustments

Accumulated Fund B/f	38,966,895.00
Add Surplus 1999/2000	6,718,475.65
	45,685,370.65
<u>Adjustments</u>	
Gratuity Virginia Kimani	(134,072.50)
Over stated depreciation	<u>466,103.65</u>
Adjusted Accumulated Fund Bal.	<u><u>46,017,401.80</u></u>

Fixed Assets Depreciation Schedule 2000/2001

	Land	Office Equipment	Office Furniture	Motor vehicle	Total (Kshs)
Bal. as at 01-07-2000	0%	12.50%	12.50%	25%	
Addition for the year	35,000,000.00	1,073,135.00	762,041.00	6,558,302.00	43,393,478.00
Total		621,140.00	17,000.00	-	638,140.00
	35,000,000.00	1,694,275.00	779,041.00	6,558,302.00	44,031,618.00

Acc. Dep. 1-7-2000	-	733,234.90	381,254.10	4,838,306.35	5,952,795.35
Depreciation for the YR.	-	189,890.00	96,042.10	1,511,013.65	1,796,945.75
Acc. Dep. 30-6-2001	-	923,124.90	477,296.20	6,349,320.00	7,749,741.10

Net Book Value 30-6-2001	35,000,000.00	771,150.10	301,744.80	208,982.00	36,281,876.90
Net Book Value 30-6-2000	35,000,000.00	339,900.10	380,786.90	1,719,995.65	37,440,682.65