

REPUBLIC OF KENYA



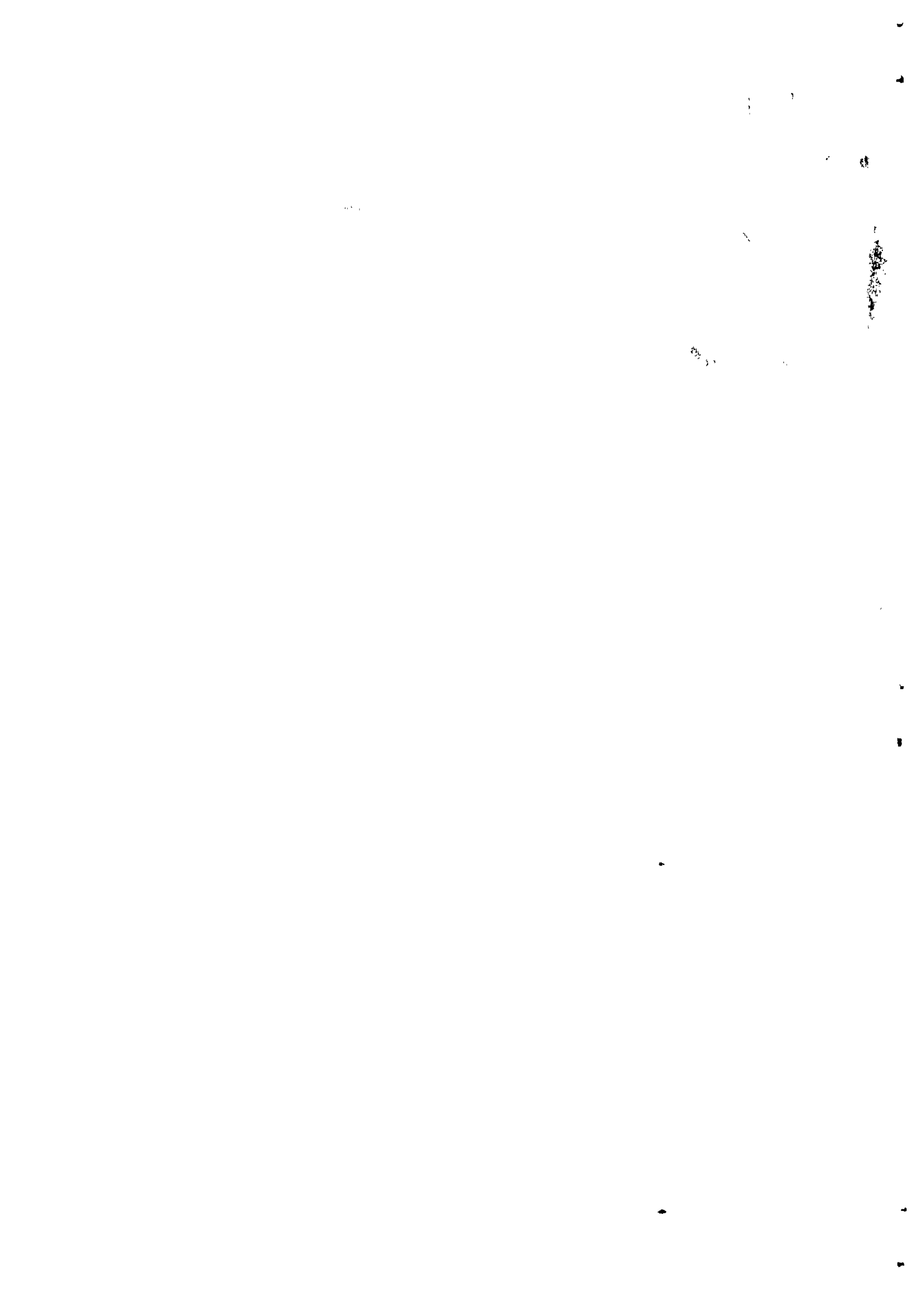
KENYA NATIONAL AUDIT OFFICE

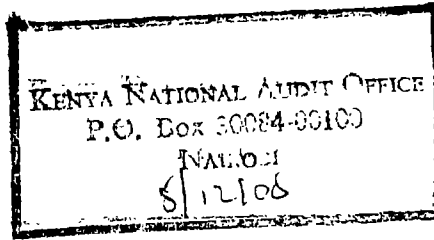
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REPORT OF THE CONTROLLER AND AUDITOR-GENERAL

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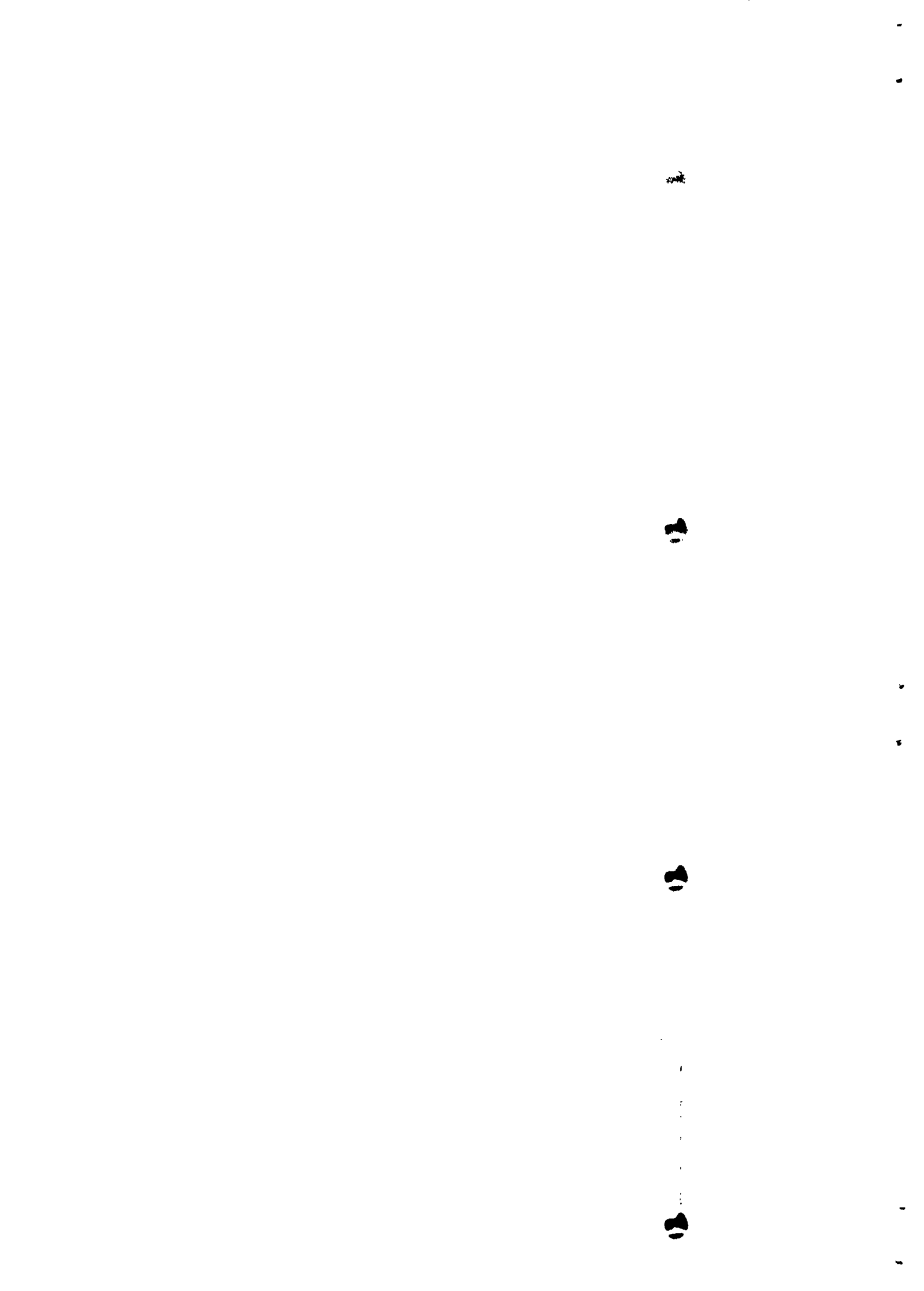
**THE FINANCIAL STATEMENTS OF
KENYA MEDICAL LABORATORY
TECHNICIANS AND TECHNOLOGISTS
BOARD FOR THE YEAR ENDED 30 JUNE
2008**





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

**FINANCIAL STATEMENTS AND REPORT
AS AT 30TH JUNE 2008.**



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 BOARD MEMBERS' RESPONSIBILITIES.

The Board members are 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 members are required to ensure that the Board maintains proper accounting records which disclose with reasonable accuracy the financial position of the Board. The Board Members are also responsible for safeguarding the assets of the Board.

The Board members accepts responsibility for the 2007/2008 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 members are 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 30th June 2008 and its surplus for the year ended.

The members 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: <u>Prof. J.K. MAGAMBO</u>	Name: <u>DAVID L. RUTO</u>
Designation: <u>Chairman</u>	Designation: <u>REGISTRAR</u>
Signed: <u>[Signature]</u>	Signed: <u>[Signature]</u>
Date: <u>3/12/08</u>	Date: <u>27. 11. 2008</u>

REPUBLIC OF KENYA
Ministry of Health
THE KENYA MEDICAL LABORATORY
TECHNICIANS AND TECHNOLOGISTS BOARD
P. O. Box 20889 . 00202 NAIROBI

THE KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD.

3. List of Board Members

The following were the members of the current board inaugurated on 25th Oct 2007.

1. Prof. Japheth Magambo **Chairman**
2. David L. Ruto **Registrar**
3. Wilfred Emonyi
4. Maurice Adoyo -Adoyo
5. Raphael Gikera
6. Grace Mokuu
7. Paul Mukundi
8. Odowa Abdirahman
9. Jackson Abuya Abuya
10. Prof. E. Mwachiro
11. Dr. Eric Muchiri
12. Viterlis Wafula Sitati
13. Arthur.A. Rateng
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 2008

I have audited the financial statements of Kenya Medical Laboratory Technicians and Technologists Board set out on pages 5 to 14 which comprise the balance sheet as at 30 June 2008 and the income and expenditure statement, 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 Members' Responsibility for the Financial Statements

The Board members are 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. Financial Position

During the year ended 30 June 2008 the Board realized a deficit of Kshs.17,209. Further the balance sheet as at 30 June 2008 reflects a negative working capital of Kshs.7,144,794 (2007-Negative Kshs.7,225,354) and a negative accumulated fund of Kshs.6,496,293 (2007- negative Kshs.6,479,084). The Board is, therefore, technically insolvent and its continued operation as a going concern is in jeopardy.

2. Creditors

Included in the creditors balance of Kshs.9,716,891 as at 30 June 2008 is Kshs.9,072,091 relating to Pay As You Earn (PAYE). The board did not remit PAYE for the period January 2002 to 30 April 2006 which was assessed at Kshs.8,009,426 plus interest on arrears of Kshs.1,062,665 both totalling Kshs.9,072,091. Although the management has indicated that negotiations with Kenya Revenue Authority for settlement of the arrears are in process, no evidence of such negotiations was produced for audit review. Further, the penalties and interest on the arrears for the current year have not been accrued in these financial statements. In the circumstances, it is not possible to confirm the validity and accuracy of the creditors figure of Kshs.9,716,891 as at the balance sheet date.

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 2008 and of its deficit and cash flows for the year then ended in accordance with the Medical Laboratory Technicians and Technologists Act, 1999.

P. N. Komora

**P. N. KOMORA, CBS.
CONTROLLER AND AUDITOR GENERAL**

Nairobi

10 December 2008

KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30.06.2008

	<u>2007 / 2008</u>	<u>2006 / 2007</u>
<u>INCOME</u>	<u>Kshs.</u>	<u>Kshs.</u>
Income	10,395,610	10,436,766
Other Income	7,372	113,000
	<u>10,402,982</u>	<u>10,549,766</u>
LESS EXPENDITURE		
Board Allowances	7,006,250	8,481,755
Bank Charges	80,092	101,336
Stationery	996,118	1,150,565
Audit fees	150,000	324,000
Depreciation	105,764	133,054
Personnel Emolument	1,217,750	1,244,200
Postage	131,210	156,420
Telephone	111,600	234,465
Transport	59,530	51,200
Others	561,877	381,205
TOTAL EXPENDITURE	10,420,191	<u>12,258,200</u>
SURPLUS / DEFICIT	<u>-17,209</u>	<u>-1,708,434</u>



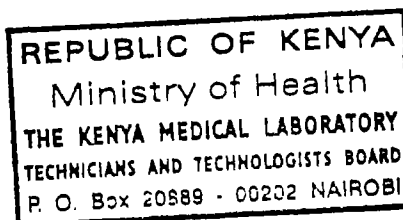
**KENYA MEDICAL LABORATORY TECHNICIANS
AND TECHNOLOGISTS BOARD.**

BALANCE SHEET AS AT 30TH JUNE 2008.

		<u>2007/2008</u>	<u>2006/2007</u>
	NOTES	Kshs.	Kshs.
<u>ASSETS.</u>			
<u>NON CURRENT ASSETS</u>			
Property, Plant & Equipment	2	648,501	746,270
<u>CURRENT ASSETS.</u>			
Cash & Bank Balances	3	817,149	581,537
Debtors & Prepayments	4	<u>1,784,000</u>	<u>1,784,000</u>
TOTAL ASSETS		<u>3,249,650</u>	<u>3,111,807</u>
FINANCED BY:			
ACCUMULATED FUND & LIABILITIES			
ACCUMULATED FUND		-6,496,293	-6,479,084
CURRENT LIABILITIES.			
Bank Overdraft		29,052	
Creditors & Accruals	5	<u>9,716,891</u>	<u>9,590,891</u>
		<u>9,745,943</u>	<u>9,590,891</u>
		<u>3,249,650</u>	<u>3,111,807</u>

Chairman Prof. J.K. MACANRO Signed [Signature] Date 3/12/08

Registrar DAVID L. RUTO [Signature] 27.11.2008



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

**STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR
ENDED 30TH JUNE 2008.**

	<u>2007/2008</u>	<u>2006/2007</u>
	<u>Kshs.</u>	<u>Kshs.</u>
Bal b/d	-6,479,084	-4,770,650
Net surplus/deficit for the yr	-17,209	-1,708,434
Bal c/d	<u>-6,496,293</u>	<u>-6,479,084</u>

KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.

CASH FLOW STATEMENT.

FOR THE YEAR ENDED 30.06.2008.

	<u>NOTES.</u>	<u>2007/2008</u> <u>Kshs.</u>	<u>2006 / 2007</u> <u>Kshs.</u>
NET PROFIT BEFORE TAX		-17,209	-1,708,434
<u>ADJUSTMENTS.</u>			
Depreciation	2	105,764	133,054
CASH FLOW FROM OPERATIONS.		88,555	-1,575,380
WORKING CAPITAL CHANGES.			
Increase in Creditors		126,000	1,366,395
Increase in Debtors		<u>0</u>	<u>-515,359</u>
		126,000	851,036
		<u>214,555</u>	<u>-724,344</u>
CASH FLOW FROM INVESTING ACTIVITIES.			
Purchase of Fixed Assets		-7,995	0
Decrease / Increase in Cash & Cash Equivalents		206,560	-724,344
cash and cash equivalent at the beginning of the period		581,536	1,305,880
Cash & Cash Equivalents at the end of the period	3	<u>788,096</u>	<u>581,536</u>

THE KENYA MED.LAB. TECHNICIAN AND TECHNOLOGISTS BOARD.

NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2008.

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 off the cost of valuation in equal annual instalments over their estimated useful lives.

The annual rates in use are:-

	Percentage (%)
• 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 30.06.08

2 Property, Plant & Equipment

	FURNITURE & FITTINGS	MOBILE PHONE COMPUTERS	TOTAL
	<u>Kshs.</u> 12.5%	<u>Kshs.</u> 30%	<u>Kshs.</u>
<u>COSTS:</u>			
Balance b/f	680,667	65,603	746,270
Additions in the year	7,995	NIL	7,995
Balance at 30.06.2008	<u>688,662</u>	<u>65,603</u>	<u>754,265</u>
Dep. for the year	86,083	19,681	105,764
N.B.V 30.06.2008	<u>602,579</u>	<u>45,922</u>	<u>648,501</u>
N.B.V 30.06.2007	680,667	65,603	746,270

KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.
AS AT 30.06.08

3 CASH & BANK BALANCES

	<u>2007/2008</u>	<u>2006 / 2007</u>
	<u>Kshs.</u>	<u>Kshs.</u>
Cash in hand	7,937	15,355
Saving Account	<u>809,212</u>	<u>62,595</u>
	<u>817,149</u>	<u>77,950</u>
Current Account	<u>-29,052</u>	<u>503,587</u>
	<u>788,097</u>	<u>581,537</u>



KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD.
AS AT 30.06.08

4 DEBTORS	<u>2007/2008</u>	<u>2006/2007</u>
K.M.T.C Inspection fees	<u>Kshs.</u>	<u>Kshs.</u>
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 polytechnic	184,000	184,000
Mombasa mtc	184,000	184,000
Kenyatta University	<u>496,000</u>	<u>496,000</u>
	<u>1,784,000</u>	<u>1,784,000</u>

KENYA MED. LAB. TECHNICIANS AND TECHNOLOGISTS BOARD
AS AT 30.06.08

5 CREDITORS

	<u>2007/2008</u>	<u>2006/2007</u>
	<u>Kshs.</u>	<u>Kshs.</u>
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	
Prov.for Audit fees	150,000	174,000
	<u>9,716,891</u>	<u>9,590,891</u>

6 INCOME

	<u>2007/2008</u>	<u>2006/2007</u>
	<u>Kshs.</u>	<u>Kshs.</u>
Application	276,600	367,557
Registration	2,419,400	3,393,050
Inspection	1,071,000	1,315,100
Exams	4,853,960	4,168,400
Attachment	974,900	334,100
Cert of practice	799,750	857,750
Interest Earned	7,372	808.70
	<u>10,402,982</u>	<u>10,436,766</u>

7 BOARD ALLOWANCES.

	<u>2007/2008</u>	<u>2006/2007</u>
	<u>Kshs.</u>	<u>Kshs.</u>
Full Board Allowances	861,600	236,650
Registration	298,600	388,900
Education	4,218,450	4,266,335
Standard	121,100	1,112,880
Finance & Administration	318,700	382,210
Disciplinary	66,700	546,600
Responsibility	864,000	742,500
Duty allowances	257,100	805,680
	<u>7,006,250</u>	<u>8,481,755</u>

KENYA MEDICAL LABORATORY TECHNICIANS & TECHNOLOGISTS BOARD

YEAR ENDED 30TH JUNE 2008

	Ledger	Debit	Credit
	Folio		
Cash	1	7,937	
Closing balance -Current a/c			29,052
	-Savings a/c	809,212	
Debtors	2	1,784,000	
Finance & Adm. Allowances	3	318,700	
Education Committee Allowances	4	4,218,450	
Standard Committee Allowances	5	121,100	
Registration committee Allowances	6	298,600	
Full Board Allowances	7	861,600	
Disciplinary	8	66,700	
Responsibility	9	864,000	
Duty Allowances	10	257,100	
Salaries and wages	11	1,217,750	
Stationery	12	996,118	
Fixed Assets: N.B.V	13	746,270	
	Additions	7,995	
Postages	14	131,210	
Telephone	15	111,600	
Transport	16	59,530	
Others	17	561,877	
Bank Charges	18	80,092	
Professional Audit fees	19	150,000	
Application fees	22		276,600
Registration fees	23		2,419,400
Annual Certificate fees	24		799,750
Examinations fees	25		4,853,960
Attachment fees	26		974,900
Inspections fees	27		1,071,000
Interest earned	28		7,372
Creditors			9,716,891
Appropriation account		6,479,084	
TOTALS		20,148,925	20,148,925