



**KENYA INSTITUTE OF ADMINISTRATION
(KIA)**



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009



for first class Conference facilities



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Our Core Statements

Vision

Our Vision is to be a model institution of excellence in management development and capacity building in the public sector.

Mission

Our Mission is to improve service delivery in the public sector by providing quality Training, Research and Consultancy Services.

Mandate

KIA is mandated to provide training, consultancy and research services, designed to promote national development, standards of competence and integrity in the public service, State Corporations, local governments and the private sector.

Who We Are



Who We Are

The Kenya Institute of Administration (KIA) is a Management Development Institute (MDI) established through an Act of Parliament (the KIA Act No. 2 of 1996) to provide training, research and consultancy services.

The Institute's programmes are specifically designed to promote national development and standards of competence and integrity in the Public Service, State Corporations, Local Government, Regional Authorities and other organizations.



Corporate Values

Professionalism

KIA employees of all cadres strive to uphold professionalism in whatever they do. They withstand ethical scrutiny by being committed to high standards of excellence in day-to-day operations.

Self-Drive

KIA employees of all cadres take personal responsibility for the production of the results they are responsible for, without supervision.

Continuous Improvement

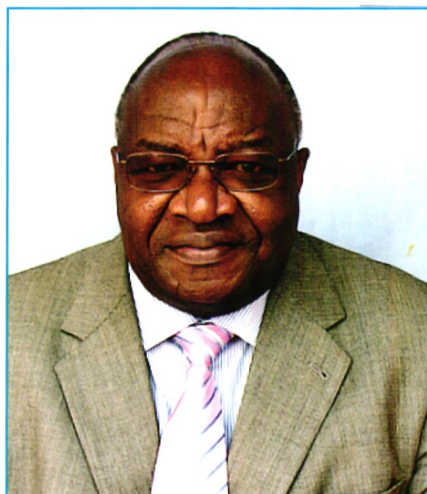
KIA employees of all cadres embrace continuous improvement and learning through experiences, successes and even failures. They translate lessons learnt into improved service delivery.

Team Work

We endeavour to work together as a team in order to achieve our vision, mission and strategic objectives. The Institute recognizes team and individual effort as well as output.



Statement by the Chairman of the Council



I am delighted to present the Kenya Institute of Administration (KIA) annual report for 2008/2009. During the year under review, we undertook some reforms in our quality management system which has borne fruits in terms of efficiency in our operations. This has laid a strong foundation to enable us discharge our mandate in line with our vision of being a model institution of excellence in management, development and capacity building in the public sector.

On the financial front, KIA sales turnover was Ksh 268 million as compared to Ksh 256 million in the past year. However, our net profit dropped from Ksh 100 million in the past year to Ksh 58 million in the current year. This was due to inflation and high energy costs among other factors. The Government of Kenya total grant (Development and Recurrent) decreased from Ksh 44 million in the past year to Ksh 40 million in the current year.

Once again, as a result of high standards of financial management, KIA obtained a clean audit report from the Kenya National Audit Office, except for an going land issue.

The council was able to perform its oversight role of steering KIA to greater heights successfully, because of a good working relationship with the management and support from the government.

In line with the Vision 2030, KIA continues to play a critical role in enabling Kenya to create a globally competitive and adaptive human resources base to meet the requirements of a rapidly industrializing

economy through life-long training and education. There has been an increasing demand for training and development in the public services. To help the Institute cope with this challenge, the government through the Ministry of State for Public Services partly funded the building of a modern tuition block at KIA which is already underway at an estimated cost of Ksh 209 million.

As part of the Institute's succession planning, we recruited new personnel to enable the Institute to deliver quality training and research services efficiently and effectively.

Finally, we look forward to the journey ahead, and with the support of stakeholders, management and staff, I am confident that KIA will continue to provide quality and effective services in line with the Institute's vision and the national Vision 2030.

**DR. HENRY CHAKAVA , MBS
CHAIRMAN**



Report by the Director/CEO

The year 2008/2009 was a highly successful one for the Kenya Institute of Administration (KIA). With support from our various stakeholders, we achieved our organizational goals for the year. This was largely because of a motivated staff and goodwill from the ministries, parastatals and other organizations. As this report shows, we made immense strides in the improvement of physical infrastructure, not just for our external customers, but also for our own staff, who were able to discharge their responsibilities with greater efficiency, in the new Administration Centre.



For effective administration and enhanced service delivery, we reviewed our Strategic Plan (2008 – 2011). The strategic plan recognises the diverse training needs of the public service and the dynamics of the modern work place. The plan was aligned mainly on the public sector performance. This positions the Institute on a pivot point to play its role in capacity building in the public sector for the purpose of achieving the Kenya Vision 2030. The implementation of the plan is on course and we are confident that we will achieve all the strategic objectives.

KIA remains the trainer of choice by the public service and our reputation goes beyond Kenya. We hosted regional Commonwealth Secretariat programmes as well as various courses in Juba for the Government of Southern Sudan (GOSS).

In this financial year, we received ISO 9001:2008 certification. This certified that we have sustained our standards progressively. KIA remains one of the

few premier Management Development Institutes (MDI's) which are ISO certified.

As a corporate citizen of Kenya, the Institute takes the obligation of social responsibility very keenly. KIA staff visited the less fortunate members of the society and made donations in kind.

All this was possible through dedication and hard work of the management team, and other staff members. The staff are dedicated to the Institute's core values: teamwork, productivity and quality service delivery to achieve our vision "to be a model Institution of excellence in management development and capacity building in the public sector".

I take this opportunity to thank you all.

DR. MARGARET KOBIA, CBS
DIRECTOR/CEO



1. COUNCIL BOARD MEMBERS

The Institute is run by a council board appointed under KIA Act 2 of 1996 and the members who served during the year were:

Dr. Henry M. Chakava, MBS	- Chairman
Mr. Geylord Avedi, EBS	
Mr. William S.W. Busolo	
Mrs. Shellomith Bobotti	
Mr. Benjamin Munywoki Musau	
Amb. Mary Odinga, MBS	
Mrs. Diana Mambo	
Dr. T.W. Gathenya	
Mr. Abraham Kamakil	
Permanent Secretary	- Ministry of State for Public Service
Permanent Secretary	- Ministry of Finance
Permanent Secretary	- Ministry of State for Provincial Administration and Internal Security
Mrs. Josephine Gichuhi	- Public Service Commission of Kenya
Dr. Margaret Kobia, CBS	- Director/CEO KIA-Secretary

2. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Kenya Institute of Administration
Lower Kabete Road
P.O. BOX 23030-00604
Lower Kabete
Nairobi.

3. BANKERS

Kenya Commercial Bank Limited
National Bank of Kenya Limited

4. AUDITORS

Controller and Auditor General
Kenya National Audit office
P.O. Box 30084- 00100
Nairobi.



Director/Chief Executive

Dr. Margaret Kobia, Ph.D, CBS

Deputy Director Business Development

Elijah Wachira, MBA (NBI), BSc., HSC

Deputy Director Finance and Administration

Osman Hassan Ibrahim, MBA (NBI), Bcom. (NBI), CPA (K).



The Council members have pleasure in submitting their report, together with the audited financial statements for the year ended 30 June 2009.

1. LEGAL FORM

The Kenya Institute of Administration is a Management Development Institute (MDI) incorporated in Kenya through an Act of Parliament (KIA Act No. 2 of 1996).

2. DOMICILE

The Kenya Institute of Administration is domicile in Kenya.

3. PRINCIPAL ACTIVITIES

The Kenya Institute of Administration provides training, research and consultancy services on a cost recovery basis.

4. RESULTS

	Kshs'000
Profit for the year	58,452

5. COUNCIL MEMBERS

The council members who served during the year are as set out on page 4.

6. AUDITORS

The controller and Auditor General is responsible for the statutory audit of the Institute's books in accordance with section 14 of the Public Audit Act, 2003.

Dr. Henry Chakava:
Chairman

Date: 20 . 01 . 2010

Dr. Margaret Kobia:
Director

Date: 19 . 01 . 2010



STATEMENT OF COUNCIL'S RESPONSIBILITIES

The Kenya Institute of Administration Act requires the council to prepare financial statements for each financial year which include a statement of financial position showing in detail the assets and liabilities of the Institute, a statement of comprehensive income and such other statements that the council may deem necessary.

It also requires the Council to ensure the Institute keeps proper books of account and other books and records in relation to the Institute and to all the undertakings, funds, investments, activities and property of the institute. They are also responsible for safeguarding the assets of the Institute.

The Council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with generally accepted accounting practice and in the manner required by the Kenya Institute of Administration Act. The council is of the opinion that the financial statements give true and fair view of the state of financial affairs of the Institute and of its operating results. The Council further accepts responsibility for the maintenance of accounting records which may be relied upon in preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the council to indicate that the Institute will not remain as a going concern for at least the next twelve months from the date of this Statement.

Dr. Henry Chakava:
Chairman

Date: 20 . 01 . 2010

Dr. Margaret Kobia:
Director

Date: 19 . 01 . 2010



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KENYA INSTITUTE OF ADMINISTRATION FOR THE YEAR ENDED 30 JUNE 2009

I have audited the accompanying financial statements of Kenya Institute of Administration set out at pages 10 to 21 which comprise the Statement of Financial Position as at 30 June 2009, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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 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 about whether 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 Institute's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Property, Plant and Equipment

As reported in the previous year, the Institute's Property, Plant and Equipment balance of Kshs. 741,966,310 excludes 6 plots identified as LR No.11509-11514, which appear to have been illegally allocated to private developers by the Commissioner of Lands without the Institute's consent. A review of the matter in 2008/2009 indicates that the issue has not yet been resolved, although some of the developers have already acquired title deeds for the disputed plots. In the circumstances, it has not been possible to confirm the ownership status of the plots or the carrying value of the Institute's Property, Plant and Equipment as at 30 June 2009.

Opinion

Except for the foregoing reservation, in my opinion, the financial statements give a true and fair view of the financial position of the Institute as at 30 June 2009, of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with the Kenya Institute of Administration Act (No.2 of 1996).



A.S.M. Gatumbu
CONTROLLER AND AUDITOR GENERAL

Nairobi

21 January 2010

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2009



	NOTE	2009 Kshs	2008 Kshs
Sales		267,760,860	257,682,167
Cost of sales	2(i)	(51,270,333)	(47,124,575)
Gross profit		216,490,527	210,557,592
Other operating Income	3	38,649,061	45,735,662
		255,139,588	256,293,253
Selling and distributions expenses	2(ii)	(2,076,065)	(2,523,813)
Administrative expenses	2(iii)	(125,089,458)	(109,227,332)
Operating expenses	2(iv)	(83,694,738)	(60,765,937)
		(210,860,261)	(172,517,083)
Operating profit before interest		44,279,327	83,776,171
Interest Income		14,172,760	16,453,262
Net profit		58,452,087	100,229,433



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2009

ASSETS	NOTE	2009 Kshs.	2008 Kshs.
Non current assets			
Property, Plant & Equipment	4	741,966,310	648,804,103
Current Assets			
Inventories	5	8,533,330	9,667,260
Trade Receivables and other receivables	6	120,867,116	115,295,124
Cash and Cash Equivalents	7	268,654,590	325,070,479
		398,055,035	450,032,863
TOTAL ASSETS		1,140,021,346	1,098,836,966
EQUITY AND LIABILITIES			
Capital Reserves		360,308,824	355,935,957
Retained Earnings (Surplus)		657,395,269	598,943,182
Development Grant		50,000,000	35,000,000
TOTAL EQUITY		1,067,704,093	989,879,139
Current Liabilities			
Trade and Other Payables	8	72,317,253	108,957,827
TOTAL EQUITY AND LIABILITIES		1,140,021,346	1,098,836,966

The financial statements on pages 10-21 are signed on behalf of the board of council members by:

Dr. Henry Chakava:
Chairman

Date: 20 . 01 . 2010

Dr. Margaret Kobia:
Director

Date: 19 . 01 . 2010

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2009



	NOTE	2009 Kshs	2008 Kshs
Net Cash Flow from Operating Activities	9	32,439,316	121,703,478
Cash flow from investing Activities			
Purchase of Property Plant & Equipment		(121,350,007)	(114,965,628)
Gain from sale of boarded items		631,000	250,000
Interest from Investment		16,863,800	11,266,479
Net cash used in investing activities		(103,855,207)	(103,449,149)
Cash flow from financing Activities			
Government development grant		15,000,000	10,000,000
Net Cash flow from financing Activities		15,000,000	10,000,000
Net cash Increase in cash & Cash Equivalent			
Movement in cash and cash equivalents		(56,415,890)	28,254,328
Cash & Cash Equivalent start of period		325,070,479	296,816,151
Cash & Cash Equivalent end of period		268,654,589	325,070,479



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Capital Reserve Kshs	Retained Earnings Kshs	Development Grant Kshs	Total Kshs
Year ended 30 June 2009				
At start of year	355,935,957	598,943,182	35,000,000	989,879,139
Bookshop capital	4,372,867	-	-	4,372,867
Government Grant	-	-	15,000,000	15,000,000
Profit for the period	-	58,452,087	-	58,452,087
At end of year	360,308,824	657,395,269	50,000,000	1,067,704,093
Year ended 30 June 2008				
At start of year	477,011,836	440,541,180	25,000,000	942,553,016
Government Grant	-	-	10,000,000	10,000,000
Assets Revaluation	(121,075,879)	58,172,568	-	(62,903,310)
Profit for the period	-	100,229,433	-	100,229,433
At end of year	355,935,957	598,943,182	35,000,000	989,879,139



1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted in the preparation of these financial statements are set out below:

(i) Basis of preparation

The Financial Statements have been prepared under the historical cost basis of accounting and are presented in Kenya Shillings.

(ii) Income Recognition

Income from training, Research and Consultancy is recognized at the time a transaction is effected. Income from short-term investment is recognized as it accrues and is credited to the general revenue.

(iii) GoK Grant

- a) GoK grant received within the year related to income is recognized as other income to match with operations and maintenance costs.
- b) GoK grant received within the year related to grant asset is treated as deferred income and is recognised as income over the useful life of the asset.
- c) The grant is related to income and does not include any grant asset. There is no other form of monetary Government assistance the Institute has received.
- d) There are no unfulfilled conditions or any other contingencies attached to Government assistance that has been recognized.

(iv) Investments

The investments are made in the 91 and 182 days treasury bills and are shown in the accounts at their fair value.

(v) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or valuation, less accumulated depreciation. Depreciation is provided on the cost/valuation of the assets on straight line basis at rates designed to write down the assets to their estimated residual values over their estimated useful lives as follows:

		Rate per Annum
Buildings	-	2 %
Plant and Equipment	-	12.5 %
Furniture and fittings	-	12.5%
Motor Vehicles	-	25%
Computers	-	30%
Library Books	-	5%

(vi) Computer Software and Development Costs

Generally, costs associated with computers software programmes are recognized as expenses in the period in which they are incurred.

However, costs that is clearly associated with an identifiable product, which is controllable by the Institute and has a definite benefit exceeding the cost beyond one year, is recognized as an intangible asset.

**(vii) Retirement Benefits Costs**

The Institute's obligations to staff retirement benefit schemes are charged to the income statement in the year to which they relate.

The Institute operates a defined contribution scheme and a personal accident assurance scheme for employees. The Assets of the scheme are held in a separate Trustee administered fund. The scheme is funded by contributions from both the employees at 7% and the employer at a rate of 20% of the employee's basic pay respectively. Benefits are paid to the retiring staff in accordance with the scheme trust deed rules.

(viii) Inventories

Inventories are stated at the lower of cost and net realizable value.

(ix) Receivables

The receivables are stated at original invoiced amounts less an estimate made for Doubtful receivables. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the end of year.

(x) Provision for Doubtful Debts

General provision is made in respect of outstanding revenue where payment is considered doubtful.

(xi) Cash and Cash Equivalents

For the purposes of the cash flow statement cash and cash equivalents comprise cash in hand and deposits in banks and short-term highly liquid investments net of any bank overdrafts. In the statement of financial position, bank overdrafts are included in current liabilities.



2. EXPENDITURE

i. Cost of sales

Catering and accommodation expenses	30,841,999	29,039,115
Resource persons Fees	13,352,677	10,198,285
Gas and fuel expenses	1,337,294	2,752,977
Stationery-Participants	2,784,236	2,587,323
Hire of Accommodation services	2,495,354	2,187,821
Hire of Transport	286,772	308,020
Field study trips	172,000	51,034
	51,270,333	47,124,575

ii. Selling and distribution expenses

Advertising & publicity	1,049,527	587,642
Entertainment expenses	217,395	188,380
Printing & Publishing	798,643	1,491,772
Marketing expenses	10,500	256,020
	2,076,065	2,523,813

iii. Administrative expenses

Personnel emoluments	115,853,602	99,742,532
Staff training expenses	743,879	1,079,360
Stationery-Staff	3,103,544	1,045,094
Council expenses	3,628,667	3,718,167
Staff medical expenses	1,759,766	3,642,179
	125,089,458	109,227,332

iv. Operating expenses

Transport operating expenses	2,172,623	2,575,547
Insurance	1,661,420	2,863,897
Electricity	12,237,171	6,413,757
Maintenance of buildings & Stations	5,413,770	11,283,141
Depreciation	28,187,799	14,083,903
Telephone & Fax	1,446,031	1,600,112
Other operating expenses	32,575,925	21,945,579
	83,694,739	60,765,937

3. OTHER INCOME

Government grant	25,000,000	34,062,004
Rent & water	8,736,579	6,483,787
Miscellaneous receipts	1,131,449	4,388,832
Hire of facilities	1,685,093	551,038
Sale of boarded items	2,095,940	250,000
	38,649,061	45,735,661



NOTES TO THE FINANCIAL STATEMENTS

4. NON-CURRENT ASSETS- FIXED ASSETS MOVEMENT SCHEDULE

	Freehold land		Buildings		Plant and Equipment		Office equipment		Motor Vehicles		Furniture and Fittings		Computers		Library Books		Total		
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Cost or valuation																			
At start of year	255,000,000	385,370,473	12,068,950	10,521,646	22,122,457	3,964,135	6,407,754	1,939,120	697,394,535										
Additions	-	81,788,042	19,870,250	1,333,871	7,787,038	4,291,148	6,272,598	7,060	121,350,007										
Revaluation	-	-	-	-	-	-	-	-	-										
Disposals	-	-	-	-	4,460,500	-	-	-	-										
At end of year	255,000,000	467,158,516	31,939,200	11,855,516	25,448,995	8,255,283	12,680,352	1,946,180	814,284,041										
Depreciation																			
At start of year	-	17,175,106	3,662,189	6,134,289	15,835,289	1,206,804	2,820,134	1,756,621	48,590,432										
Disposals	-	-	-	-	4,460,500	-	-	-	4,460,500										
Charge for the year	-	9,343,170	3,992,400	3,556,655	6,362,249	1,031,910	3,804,106	97,309	28,187,799										
At end of year	-	26,518,276	7,654,589	9,690,944	17,737,038	2,238,714	6,624,239	1,853,930	72,317,731										
Net book value																			
At 30 June 09	255,000,000	440,640,240	24,284,610	2,164,572	7,711,957	6,016,569	6,056,112	92,250	741,966,310										
At 30 June 08	255,000,000	368,195,368	8,406,761	4,387,356	6,287,167	2,757,332	3,587,620	182,499	648,804,103										



CURRENT ASSETS

5. INVENTORIES

	2009 Kshs	2008 Kshs
Dry foodstuff	915,945	1,238,977
Fuel	-	241,173
Oil and Lubricants	37,938	-
Cleaning materials	558,622	454,596
Hardware, Electrical and water fittings	933,205	570,049
Stationery	1,157,223	2,092,053
Kitchen Cutlery	-	140,014
Bookshop Books	4,930,398	4,930,398
	8,533,330	9,667,260

6. TRADE AND OTHER RECEIVABLES

	2009 Kshs.	2008 Kshs.
Trade and other receivables		
Trade Debtors	120,717,677	113,191,108
Bookshop debtors	6,579,807	6,579,807
Bad debts	-	(835,140)
	127,297,485	118,935,776
Provisions for bad debts	13,264,094	(13,082,935)
	114,033,390	105,852,840
Other Receivables	6,833,726	9,442,284
	120,867,116	115,295,124
Provision for bad debts is made at 11%		

7. CASH AND CASH EQUIVALENTS

	2009 Kshs.	2008 Kshs.
Cash on Hand	277,070	978,535
Bank Balances	127,881,785	57,928,109
Bookshop cash and Bank	1,166,985	1,166,985
Treasury Bills	139,328,750	264,996,850
	268,654,590	325,070,479

**8. TRADE AND OTHER PAYABLES**

	2009 Kshs	2008 Kshs
Retentions	13,945,164	16,724,388
Receipts in Advance	25,733,435	39,791,125
Audit fees	348,000	348,000
VAT	9,020,053	15,906,144
Deposits	5,351,185	5,433,089
Suppliers	16,460,795	29,296,460
Bookshop creditors	1,458,622	1,458,622
Total creditors	72,317,253	108,957,827

9. CASH FLOW FROM OPERATING ACTIVITIES

	2009 Kshs.	2008 Kshs.
Operating profit before interest	44,279,327	83,776,171
Adjustment:		
Depreciation for the year	28,187,799	14,083,903
Bad debts provision	181,159	521,228
Operating Income before Working Capital changes	72,648,285	98,381,301
Increase in trade and other receivables	5,571,992	(4,382,656)
Decrease in Inventories	(1,133,930)	1,225,985
Decrease in trade and other payables	(36,640,573)	26,478,847
Net Cash Flow from Operating Activities	32,439,316	121,703,478



10. CONTINGENT LIABILITIES-LITIGATION

- (i) In the ordinary course of business, the Institute is a defendant in a case filed by Antonio enterprises under Nairobi CMCC No. 11511 of 2004 as Antonio enterprises Vs Kenya Institute of Administration claiming Kshs.466,460 as storage for beds not delivered and general damages. The Institute has forwarded the case to Attorney General who has since entered the defence on behalf of the Institute.
- (ii) Julie Nyawira Mathenge has sued the Institute over Plot Nos. 11508-11514 Lower Kabete Nairobi. She was allegedly allocated the said plots which stand on the Institute's plot. The institute has taken steps to prevent its land from the alleged allocation.
- (iii) Salvage motors have sued the Institute for a Land Rover which they had repaired. They want to be paid for the cost of repair and storage charges. However the case is time barred and possibility of any liability is remote.

Although there can be no assurances on the above litigations, the Institute believes, based on the information currently available, that the ultimate resolution of these legal proceedings would not likely have material effect on the results of its operations, financial position or liquidity.

11. FAIR VALUES

The carrying values of financial assets and liabilities are not significantly different from their fair values.

12. REPORTING CURRENCY

The reporting currency is Kenya Shilling.



Services You Can Expect

Training

- Training, consultancy and research services will be delivered using the most appropriate state of the art delivery methods, by experienced trainers
- We will continuously review our curriculum to address customer needs
- We will respond to all written enquires within 3 days of receipt of the enquiry. Face to face enquires will be handled immediately
- Evaluations will be carried out at the end of each course

Consultancy

- We will respond to all written enquires within 3 days of receipt of the enquiry. Face to face enquires will be handled immediately

Other services

- Residential rooms and Recreation center will be kept clean and tidy
- Conference facilities will be kept clean, tidy and attractive
- Internet facilities will be availed to customers
- Payment for services rendered will be done within 14 days upon provision of all required

Our Customers' Expectations

- Timely response to queries
- Transparency and Accountability in the provision of services

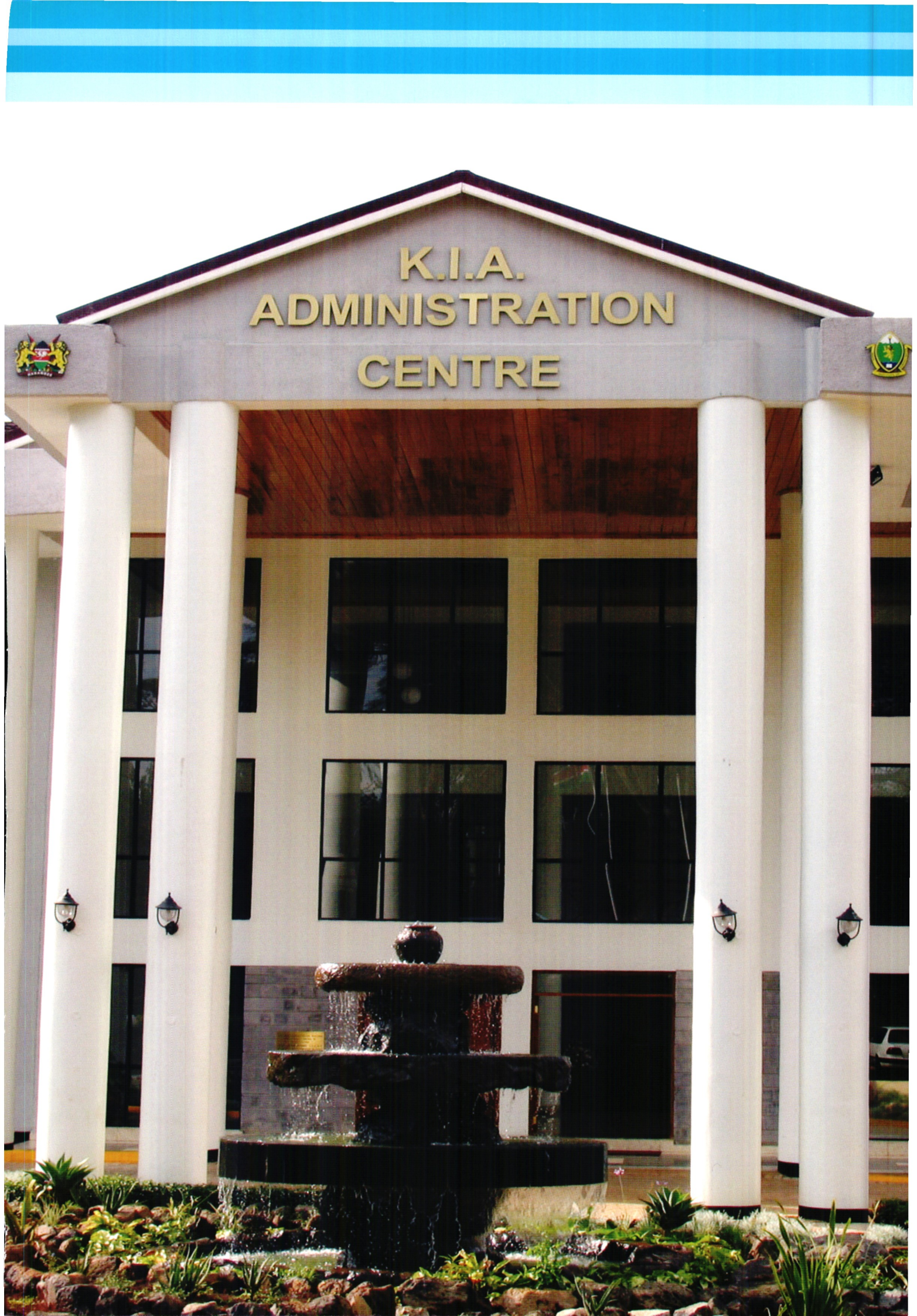
What we Expect from our Customers

- To make prompt and timely payment of tuition fees
- To provide necessary information and relevant documents to enable us give prompt services
- Treat the Institutes staff with courtesy and respect

Feedback Mechanisms

- We welcome your views and comments through the telephone, fax, email, postal mail, personal presentation
- You may direct your complaints or queries to the Customer Care desk
- All such communication shall receive prompt attention and response

K.I.A.
ADMINISTRATION
CENTRE





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