## Academic Programmes

<table>
<thead>
<tr>
<th>Bachelor of Commerce (BCom)</th>
<th>Minimum Entry Requirements</th>
<th>Tuition Fee Per Semester</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialization options: Accounting, Business Administration, Credit Management, Human Resource Management, Entrepreneurship &amp; Enterprise Development, Finance, Marketing, Purchasing and Supply Chain Management.</td>
<td>KCSE C+ (plus); Holders of relevant 2 academic year Diplomas join at the 2nd year of study while those with higher qualifications can join in 3rd year.</td>
<td>Kshs.51,000 (Full-time, Evenings &amp; Weekends) Kshs.45,000 (Distance Learning)</td>
</tr>
</tbody>
</table>

Note: The BCom programme allows students to take extra courses and graduate with double major or major / minor combinations such as Bcom(Double Major, Accounting and Finance) or Bcom (Finance Major, Accounting Minor),Bcom (Marketing Major, Finance Minor) etc thus saving time and money.

Exemptions at no charge for ATD,DCM or Part II CPA/CS/CIPFA to join in 2nd year while Part III CPA/CS/CIPFA join in 3rd year.

- Bachelor of Science in Hospitality Management
- Bachelor of Science in Computer Science
- Bachelor of Arts in Community Development
- Bachelor of Education (Arts)

## Diploma and Certificate Programmes

- Bachelor of Science in Hospitality Management
- Bachelor of Science in Computer Science
- Bachelor of Arts in Community Development
- Bachelor of Education (Arts)

### Minimum Entry Requirements

- Diplomas: KCSE C+ (plus) or equivalent with at least C+(plus) in teaching subjects
- Certificates: KCSE D+(plus)

### Tuition Fee Per Semester

- Diplomas: Kshs.25,000 (Full-time, Evenings & Weekends) Kshs.22,000 (Distance Learning)
- Certificates: Kshs.25,000 (Full-time, Evenings & Weekends)

### Minimum Entry Requirements

- Bachelor of Commerce (BCom)
  - Specialization options: Accounting, Business Administration, Credit Management, Human Resource Management, Entrepreneurship & Enterprise Development, Finance, Marketing, Purchasing and Supply Chain Management.
  - Exemptions at no charge for ATD,DCM or Part II CPA/CS/CIPFA to join in 2nd year while Part III CPA/CS/CIPFA join in 3rd year.

| Diplomas: Kshs.55,000 (Full-time, Evenings & Weekends) Kshs.45,000 (Distance Learning) |
| Kshs.50,000 (Full-time, Evenings & Weekends) Kshs.45,000 (Distance Learning) |

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PORTFOLIO THEORY

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From the CEO’s desk

The concept of wealth creation, viewed from a financial perspective, can be considered as the accumulation of financial investments to generate a regular income stream and realise capital growth through value appreciation. Although most investors perceive wealth in terms of physical property, recent times have witnessed a shift in focus towards financial instruments such as shares, commercial paper, treasury bills and bonds, infrastructure bonds and callable deposits. This interest has been catalysed by the growth and integration of financial markets which has been most impactful in developing economies. Indeed, the emergence of other financial instruments in developing economies, such as futures, options and swaps which had hitherto been a preserve of established financial markets is a testimony to the growing potential of financial markets to defy the norm and redefine the concept of wealth in terms of non-physical, financial assets.

Granted, investors would wish to generate the maximum return from their investments. However, the growing interest in financial assets needs to be tempered with the realities of investment risk, which can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment. Some of the common risks which should be brought to the fore of any investment decision include interest rate risk, inflation risk, credit risk and the social/political/legislative risks. The risk-return trade off, a cardinal concept in finance, serves as an appropriate pedestal to weigh each investment based on an investor’s appetite for risk. One of the conventional strategies for minimising risk and optimising returns is diversification of investments, which in financial terms is referred to as creating an investment portfolio.

The above introduction sets the tone for the lead article in this Edition of the kasneb Newsline, titled Portfolio Theory. The writer tackles this fairly complex investment subject with ease, using a language which the common investor and other interested readers can easily relate with and understand. He goes further to use practical scenarios as illustrations to bring investors home to the realities of the financial markets.

The second article focuses on the recently enacted Finance Act 2016 which introduced a raft of amendments to various tax legislations covering income tax, value added tax (VAT) and customs and excise duty. Some of these changes relate to residential rental income, income from gaming and letting, capital gains on transfers of property between spouses and exemption of certain goods from excise duty.

This edition also features other topics of interest to our wide readership base, including on strategic leadership, guidelines for selecting the right collection agency and the pros and cons of being your own boss.

Enjoy your reading.
Introduction

A portfolio is a combination of assets, usually of a financial nature, held by an investor. The main aim of holding a portfolio is to minimise risks and maximise the returns. This is commonly known as risk diversification.

There is no specific formula on how various assets should be combined to maximise the return. However, portfolio theory attempts to guide investors on how to maximise returns and minimise risks on their portfolio.

Portfolio theory is based on the following principles:

- Investors prefer high expected return and low standard deviation (risk).
- If an investor can lend or borrow at a risk free rate of interest, one efficient portfolio is better than all the others; the portfolio that offers the highest ratio of risk premium to standard deviation.
- The composition of this best efficient portfolio depends on the investor’s assessment of expected return, standard deviation and correlation.
- Risk of a stock is not viewed in isolation but in terms of its contribution to portfolio risk.
Portfolio return

Portfolio expected return is measured as the weighted average of the expected return of each asset in the portfolio. This is illustrated below:

\[ E[R_p] = \sum_{i=1}^{N} W_i E[R_i] \]

Where;
- \( E[R_p] \) = the expected return on the portfolio.
- \( N \) = the number of stocks in the portfolio.
- \( W_i \) = the proportion of the portfolio invested in stock \( i \).
- \( E[R_i] \) = the expected return on stock \( i \).

For a portfolio consisting of two assets, the above equation can be simplified as:

\[ E(R_p) = W_1E[R_1] + W_2E[R_2] \]

Portfolio risk

Standard deviation and variance are the commonly used measures of portfolio risk. They measure the overall risk of the combined assets in the portfolio. However, it is important to note that portfolio standard deviation and variance are not measured as the weighted average of each asset’s standard deviation/variance since some assets are related which reduces the overall risk when they are combined in a portfolio. The relationship is measured using correlation co-efficient or covariance.

Below is the formula used to compute standard deviation of a portfolio:

**Portfolio variance**

\[ \sigma_p^2 = W_A^2 \sigma_A^2 + W_B^2 \sigma_B^2 + 2 W_A W_B \sigma_A \sigma_B \rho \]

or

**Portfolio variance**

\[ \sigma_p^2 = W_A^2 \sigma_A^2 + W_B^2 \sigma_B^2 + 2 W_A W_B \text{COVAB} \]

Note: Portfolio standard deviation is the square root of portfolio variance.

Where;
- \( W_A \) = weight of asset A in the portfolio.
- \( W_B \) = weight of asset B in the portfolio.
- \( \sigma_A \) = standard deviation of asset A.
σ_b = standard deviation of asset B.

\( \rho \) = correlation coefficient between returns on asset A and asset B.

COVAB = Covariance between returns on asset A and asset B.

The variance of a single asset A is computed as follows:

\[
\sum_{i=1}^{N} [R - E(R)]^2 P_i
\]

Where

R = return on asset A.
E(R) = expected return on asset A.
P_i = probability of the ith state.

Covariance

This is the numerical measure which indicates how the returns covary or correlate. This measure can be determined as follows:

\[
\text{Cov}(AB) = \sum_{i=1}^{N} (R_A - E(R_A))(R_B - E(R_B))P_i
\]

Where

R_A = return on asset A.
R_B = return on asset B.
E(R_A) = expected return on asset A.
E(R_B) = expected return on asset B.
P_i = probability of the ith state.

Correlation coefficient

This is the quantitative variable which measures the degree of association/strength between the returns of assets in a portfolio. This measure can be determined as follows:

\[
\gamma_{AB} = \frac{\text{Cov}(AB)}{\delta_A \delta_B}
\]

Where

Cov(AB) = covariance of returns of assets A and B.
\( \delta_A \) = standard deviation of asset A.
\( \delta_B \) = standard deviation of asset B.

Illustration

Rose Mburu recently inherited Sh. 1.5 million from her grandfather. She is considering investing the money in securities of Bidii Ltd. and either Hodari Ltd., Bingwa Ltd. or Kubwa Ltd. The four companies are operating in different sectors of the economy and are listed at the Nairobi Stock Exchange. A Certified Investment and Financial Analyst (CIFA) conducted some financial analysis which provided the rate of returns (in percentages) under various states of economy to help in advising Rose Mburu, as follows:

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
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<td>7</td>
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<td>5</td>
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<tr>
<td>2</td>
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<td>10</td>
<td>10</td>
<td>8</td>
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<td>6</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>5</td>
<td>0.1</td>
<td>14</td>
<td>4</td>
<td>6</td>
<td>15</td>
</tr>
</tbody>
</table>

An investor must weigh the risk/return ratio of a security before co-opting it in their portfolio.
Rose Mburu wishes to invest in a portfolio of two securities consisting of Bidii Ltd. and either Hodari Ltd., Bingwa Ltd. or Kubwa Ltd. Rose Mburu wishes to invest Sh. 750,000 of the money in Bidii Ltd. and the balance in the other security.

**Required**

Advise Rose Mburu on the optimal portfolio combination.

**Suggested solution**

The first step is to calculate the expected rate of return for each security;

Bidii Ltd: \(0.1 \times 7 + 0.2 \times 10 + 0.4 \times 12 + 0.2 \times 12 + 0.1 \times 14 = 11.3\%\)

Hodari Ltd: \(0.1 \times 12 + 0.2 \times 10 + 0.4 \times 10 + 0.2 \times 6 + 0.1 \times 4 = 8.8\%\)

Bingwa Ltd: \(0.1 \times 10 + 0.2 \times 10 + 0.4 \times 8 + 0.2 \times 8 + 0.1 \times 6 = 8.4\%\)

Kubwa Ltd: \(0.1 \times 5 + 0.2 \times 8 + 0.4 \times 11 + 0.2 \times 13 + 0.1 \times 15 = 10.6\%\)

The second step is to calculate the variance for each security using the formula below:

\[
\sum_{i=1}^{N} \left( R - E(R) \right)^2 P_i
\]

Bidii Ltd.

| State of economy | Probability | Returns (R) | \(|R – E(R)|^2\)Pi |
|------------------|-------------|-------------|--------------------|
| 1                | 0.1         | 7           | (7-11.3)^2 0.1     | 1.849               |
| 2                | 0.2         | 10          | (10-11.3)^2 0.2    | 0.338               |
| 3                | 0.4         | 12          | (12-11.3)^2 0.4    | 0.196               |
| 4                | 0.2         | 12          | (12-11.3)^2 0.2    | 0.098               |
| 5                | 0.1         | 14          | (14-11.3)^2 0.1    | 0.229               |

Variance of Bidii Ltd. 3.21

Hodari Ltd.

| State of economy | Probability | Returns (R) | \(|R – E(R)|^2\)Pi |
|------------------|-------------|-------------|--------------------|
| 1                | 0.1         | 5           | (5-10.6)^2 0.1     | 3.136               |
| 2                | 0.2         | 8           | (8-10.6)^2 0.2     | 1.352               |
| 3                | 0.4         | 11          | (11-10.6)^2 0.4    | 0.064               |
| 4                | 0.2         | 13          | (13-10.6)^2 0.2    | 1.152               |
| 5                | 0.1         | 15          | (15-10.6)^2 0.1    | 1.936               |

Variance of Hodari Ltd. 5.76

Bingwa Ltd.

| State of economy | Probability | Returns (R) | \(|R – E(R)|^2\)Pi |
|------------------|-------------|-------------|--------------------|
| 1                | 0.1         | 12          | (12-8.8)^2 0.1     | 1.024               |
| 2                | 0.2         | 10          | (10-8.8)^2 0.2     | 0.288               |
| 3                | 0.4         | 10          | (10-8.8)^2 0.4     | 0.576               |
| 4                | 0.2         | 6           | (6-8.8)^2 0.2      | 1.568               |
| 5                | 0.1         | 4           | (4-8.8)^2 0.1      | 2.304               |

Variance of Bingwa Ltd. 1.44

Kubwa Ltd.

| State of economy | Probability | Returns (R) | \(|R – E(R)|^2\)Pi |
|------------------|-------------|-------------|--------------------|
| 1                | 0.1         | 5           | (5-10.6)^2 0.1     | 3.136               |
| 2                | 0.2         | 8           | (8-10.6)^2 0.2     | 1.352               |
| 3                | 0.4         | 11          | (11-10.6)^2 0.4    | 0.064               |
| 4                | 0.2         | 13          | (13-10.6)^2 0.2    | 1.152               |
| 5                | 0.1         | 15          | (15-10.6)^2 0.1    | 1.936               |

Variance of Kubwa Ltd. 7.64

The third step is to calculate the covariance for the different securities combinations in the portfolio using the formula below.

\[
\text{Cov}(AB) = \sum_{i=1}^{N} (R_A - E(R_A))(R_B - E(R_B))P_i
\]

Bidii Ltd. and Hodari Ltd.

| State of economy | Probability | Returns (R) | \(|R – E(R)|^2\)Pi |
|------------------|-------------|-------------|--------------------|
| 1                | 0.1         | 12          | (12-8.8)^2 0.1     | 1.024               |
| 2                | 0.2         | 10          | (10-8.8)^2 0.2     | 0.288               |
| 3                | 0.4         | 10          | (10-8.8)^2 0.4     | 0.576               |
| 4                | 0.2         | 6           | (6-8.8)^2 0.2      | 1.568               |
| 5                | 0.1         | 4           | (4-8.8)^2 0.1      | 2.304               |

Covariance -3.04
Bidii Ltd. and Kubwa Ltd.

<table>
<thead>
<tr>
<th>State of economy</th>
<th>Probability</th>
<th>(RA - E[RA])</th>
<th>(RB - E[RB])</th>
<th>Pi</th>
<th>Covariance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.1</td>
<td>(7-11.3)</td>
<td>(5-10.6)</td>
<td>0.1</td>
<td>2.408</td>
</tr>
<tr>
<td>2</td>
<td>0.2</td>
<td>(10-11.3)</td>
<td>(8-10.6)</td>
<td>0.2</td>
<td>0.676</td>
</tr>
<tr>
<td>3</td>
<td>0.4</td>
<td>(12-11.3)</td>
<td>(11-10.6)</td>
<td>0.4</td>
<td>0.112</td>
</tr>
<tr>
<td>4</td>
<td>0.2</td>
<td>(12-11.3)</td>
<td>(13-10.6)</td>
<td>0.2</td>
<td>0.336</td>
</tr>
<tr>
<td>5</td>
<td>0.1</td>
<td>(14-11.3)</td>
<td>(15-10.6)</td>
<td>0.1</td>
<td>1.188</td>
</tr>
</tbody>
</table>

The fourth step is to calculate the portfolio variance.

Portfolio variance

$$\sigma_p^2 = W_A^2 \sigma_A^2 + W_B^2 \sigma_B^2 + 2 W_A W_B \text{COV}_{AB}$$

Bidii Ltd. and Hodari Ltd.

$$0.5^2(3.21) + 0.5^2(5.76) + 2(0.5)(0.5)(-3.04) = 0.7225$$

Bidii Ltd. and Bingwa Ltd.

$$0.5^2(3.21) + 0.5^2(1.44) + 2(0.5)(0.5)(-1.92) = 0.2025$$

Bidii Ltd. and Kubwa Ltd.

$$0.5^2(3.21) + 0.5^2(7.64) + 2(0.5)(0.5)(4.72) = 5.0725$$

Based on the variance of the various security combinations, Rose Mburu should invest her money in a portfolio composed of 50% security of Bidii Ltd. and 50% security of Bingwa Ltd. This is because the combination shall yield the lowest variance thus less risky compared to other combinations.

**Conclusion**

Portfolio analysis can play a big role in assisting investors optimise their returns in the financial markets. The greater the number of diverse securities offered in the financial markets, the better the range of portfolio combinations available to an investor.

You can reduce your overall risk by diversifying your investment over a variety of stocks in diverse industries.
Background
Royal Business School is an institution founded on Christian values in January 2009. The school was established by a team of diverse forward thinking professionals with a vast experience and a deep passion for professional training. Royal Business School has experienced tremendous growth and continues to help students achieve their career goals in the shortest time possible.

Why Choose RBS?
- Competent lecturers
- Flexible classes for working students
- Timely syllabus coverage
- Free internet for students
- Free revision classes
- Free accounting packages

RBS is kasaeb accredited and fully registered with Ministry of Education

Others Courses Offered
- Certified Credit Professionals (CCP)
- Certified Investment and Financial Analysts (CIFA)
- Diploma in Credit Management (DCM)

Entry Requirements
- Diploma Courses: C- (minus)
- Professional Courses: C+ (plus) mean grade and C+ (plus) in English and Mathematics

REGISTRATION IN PROGRESS
- Early Morning Classes: 6:20am - 7:50am
- Day Classes: 8:30am - 4:00pm
- Evening Classes: 5:30pm - 7:30pm
- Late Evening Classes: 7:30pm - 9:15pm
Every year, the budget process in Kenya culminates in the enactment of a Finance Act. The Finance Act, 2016 which was assented to by the President on 13 September 2016 has made an array of changes to the country’s existing tax statutes.

Below is a brief overview of the key amendments to the tax legislation made by the Act.

THE INCOME TAX ACT (ITA)

Residential rental income tax

The provisions of the ITA on residential income have been amended to set a lower threshold for liability for residential income tax. This lower limit has been set at Sh. 144,000 below which residential rental income tax is not payable.

Possible consequence

The amendment shall provide relief to low rental income earners who will now not be subject to income tax on their rental income provided the amount is less than Sh.144,000 per annum.

This will contribute towards equitable taxation.

Effective date: 9th June 2016
FINANCE ACT 2016

**Withholding tax on rental income**

The Finance Act, 2016 has introduced provisions introducing a withholding tax on rental payments made to residents allowing the Commissioner to appoint, in writing, persons who will be expected to withhold tax on any rent, premium or similar consideration for the use or occupation of immovable property.

Further, the withholding rate for rental income paid to residents has been reduced from 12% to 10%. The reduction in rate will prevent situations where residential rental income tax payers, whose tax rate is 10% of gross receipts, end up in a permanent refund/tax credit due to withholding of tax on their rental income at a rate exceeding their total liability.

**Effective Date: 9th June 2016**

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**Taxation of gaming and betting**

Withholding tax of 7.5% on gross winnings payable by bookmakers to punters (players) has been scrapped under the ITA.

Notwithstanding this, the Betting Lotteries and Gaming Act has been amended to introduce the following new levies:

- Betting tax at 7.5% of the gross turnover less customer winnings of licensed bookmakers;
- Lottery tax at 5% of the lottery turnover of an authorised lottery promoter;
- Gaming tax at 12% of the gaming revenue of persons carrying on a gaming business; and
- Prize and competition tax at 15% of the cost of entry to a competition which is premium rated.

**Possible consequence**

This amendment is likely to increase the administrative burden of various stakeholders in the gaming industry who will have to account for a wider array of taxes. It will also increase the costs of gaming and betting due to the augmented tax burden on such activity.

Entrants into premium rated competitions will also pay a consumption-like tax for participating in such competitions.

The amendment will also increase government revenue by widening the tax net to include persons who earn revenue by informal means such as gaming and betting.

**Effective Date: 1st January 2017**

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kasneb NEWSLINE, Issue No. 1, January - March 2017
Allowable status of sports sponsorships

Any expenditure incurred in a year of income by a person sponsoring sports shall be an allowable deduction for purposes of ascertaining taxable income provided that the person receives the approval of the Cabinet Secretary prior to giving such sponsorship.

Possible consequence

This amendment is likely to lead to growth of sports related activity in Kenya due to the incentive for individuals and corporates in business to make donations geared towards promoting sporting initiatives.

Effective Date: 1st January 2017

Exemption of income bonuses, overtime and retirement benefits to low income employees

Income from employment paid in the form of bonuses, overtime and retirement benefits has been added to the schedule of exempt income.

However, this exemption only applies to low income earners whose taxable employment income before bonus and overtime allowances does not exceed the lowest tax band of Sh. 134,164 per annum (Sh. 11,180 per month).

Possible consequence

The possible consequence of this amendment is to enhance equity in Kenya’s fiscal regime by exempting low income earners from taxation of any extra emoluments received in addition to their employment income.

Effective date: 1st July 2016

Exemption of income on EADB Bonds

The Finance Act, 2016 amended the First Schedule to the ITA to include interest income on bonds issued by the East African Development Bank (EADB) as exempt income.

Possible consequence

This amendment will encourage individuals and corporates to invest in EADB bonds because any income yield in the form of interest will be free from taxation. This will inevitably lead to an increase of the funds available to the EADB which ought to have a positive effect on socio-economic development and integration within the East African Community.

Effective date: 1st July 2016

Expansion of individual tax bands

The table below summarises the manner in which the Finance Act, 2016 has modified the existing tax bands under the ITA:

<table>
<thead>
<tr>
<th>Rate in each Shilling</th>
<th>Current (income per annum)</th>
<th>As Amended by Finance Act, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>On the first Sh. 121,968</td>
<td>On the first Sh. 134,164</td>
</tr>
<tr>
<td>15%</td>
<td>On the next Sh. 114,912</td>
<td>On the next Sh. 126,403</td>
</tr>
<tr>
<td>20%</td>
<td>On the next Sh. 114,912</td>
<td>On the next Sh. 126,403</td>
</tr>
<tr>
<td>25%</td>
<td>On the next Sh. 114,912</td>
<td>On the next Sh. 126,403</td>
</tr>
<tr>
<td>30%</td>
<td>On all income over Sh. 466,704</td>
<td>On all income over Sh. 513,373</td>
</tr>
</tbody>
</table>

In addition to widening of the tax bands, the Finance Act, 2016 has increased personal relief from Sh. 13,944 to Sh. 15,360.

Possible consequence

These amendments will reduce the effective rate of taxation of individuals. The impact will be felt most by individuals in the lower tax bands. This will contribute to ensuring that the Kenyan income tax regime is more equitable.

Effective Date: 1st January 2017

Lower rate of corporate taxation for residential housing developers

The Finance Act, 2016 has introduced an amendment to the ITA to reduce the corporate rate of taxation for any company that constructs at least four hundred
residential units in that year of income. The rate has been reduced from 30% to 15%.

Where a company is engaged in multiple activities in addition to the construction of residential housing, the reduced rate of tax will be applied proportionately to the extent of the turnover of the company arising from the residential housing business activity. Furthermore, the application of the reduced rate to a body corporate is subject to the approval of the Cabinet Secretary for Land, Housing and Urban Development.

Possible consequence
This amendment is geared at incentivising large scale residential housing developments. Seeing as the Finance Act has also incentivised home ownership by increasing allowable owner-occupied interest relief, it would appear that one of the fiscal goals of the Finance Act, 2016 is to encourage growth of the residential housing industry.

Effective Date: 1st January 2017

Owner occupied interest relief
In ascertaining the total income of a person for a year of income, interest paid on an amount borrowed from a specified financial institution to finance the purchase or improvement of residential premises is currently deductible provided that it does not exceed Sh. 150,000 per annum.

The Finance Act, 2016 has amended this position to allow for an increased deduction of up to Sh. 300,000 per annum in respect of interest on such borrowings. Whereas this is an increase in allowable interest, the allowable amount is still well below the average amount of interest paid on mortgages and other housing finance loans.

Possible consequence
This amendment will impact home owners who are servicing debt attributable to their residential premises, as well as potential home owners who wish to purchase homes on credit.

In addition to the recent capping of interest rates on loans, this amendment is likely to spur leveraged purchase and development of residential premises to meet increased demand for residential houses.

Effective Date: 1st January 2017

Capital Gains Tax (“CGT”) on transfers between spouses and to family
The provisions on transfers which are exempted from CGT have been amended to expressly exempt the following transactions from being considered as transfers for purposes of CGT:

(a) Transfer of assets between spouses;
(b) Transfer of assets between former spouses as part of a divorce settlement or bona fide separation agreement;
(c) Transfer of assets to immediate family;
(d) Transfer of assets to immediate family as part of a divorce or bona fide separation agreement; or
(e) Transfer of assets to a company where spouses or a spouse and immediate family hold 100% shareholding.

Possible consequence
Whereas the repealed provisions providing similar exemptions of transactions between family members were vaguely drafted, the amended list of transactions provides more clarity as to which transactions between families members will not be subject to CGT. Further to this, the amendment has added transfer of assets to a company held by a spouse or immediate family to the
list of transactions which are not considered transfers on which CGT would be applicable.

**Effective Date: 9th June 2016**

**Definition of deemed interest**

The Finance Act, 2016 has amended the Income Tax Act to include the definition of ‘deemed interest’ in Section 2 of the Act and remove the definition of ‘deemed interest’ from Section 16(3) of the Act where it had been defined for purposes of Section 16(2) which disallowed deemed interest as an expense for the purposes of ascertaining taxable income.

**Possible consequence**

Whereas the definition of the term ‘deemed interest’ has not changed, the amendment serves to enhance the clarity of the ITA by ensuring that the intended definition of the term applies to all references to ‘deemed interest’ within the Act and not only for the purposes of Section 16 of the ITA.

**Effective Date: 9th June 2016**

**Amendments to harmonise ITA with Tax Procedures Act**

Several provisions of the ITA have been repealed because they deal with issues which are covered under the Tax Procedures Act, whose purpose was to consolidate procedural rules for administration of tax under various Kenya tax statutes, including the ITA. The following is a summary of the repealed provisions:

(a) The schedule on transactions requiring a PIN certificate in the ITA has been deleted. Notably, there is a schedule with transactions requiring a PIN certificate in the Tax Procedures Act which includes the same transactions listed in the ITA with exception of payment of water deposit and connection of water meters and payment for services falling under the County Finance Act.

(b) Deletion of provision allowing the Commissioner-General or Commissioner of Domestic Taxes to impose interest and penalties upon failure of a taxpayer to withhold and remit withholding tax. The provisions of the Tax Procedures Act with regard to interest and penalties will therefore be applicable instead.

(c) Deletion of the provision setting the currency for tax records as the Kenya shilling and the official language as that assigned in Article 7 of the Constitution. The Tax Procedures Act has similar provision which will be applicable instead.

(d) Deletion of the provision imposing a penalty of 5% for failure to file a tax return or filing of a fraudulent tax return. A similar provision exists in the Tax Procedures Act.

(e) Repeal of sections making reference to the Local Committee which has since been replaced by the Tax Appeals Tribunal.

**EXCISE DUTY**

**Special Economic Zone (“SEZ”)**

The definition of “export” has been amended to include movement from Kenya to a Special Economic Zone and “import” to include movement of from a Special Economic Zone into Kenya.

Goods removed from a Special Economic Zone for home use will be treated as having been imported into Kenya and will be dutiable at that point.

**Possible consequence**

This amendment affects investors proposing to invest in Special Economic Zones.

The amendment serves to provide the framework for the place of Special Economic Zones within Kenya’s Excise Duty framework and to ensure that investors doing business in Special Economic Zones receive the same excise treatment accorded to those in Export Processing Zones.

**Effective Date: 1st July 2016**

**Exemption of goods subject to excise duty**

The following excisable goods have been added to the list of those goods exempt from excise duty:
FINANCE ACT 2016

Exempted Goods

<table>
<thead>
<tr>
<th>Item</th>
<th>New rate (Sh)</th>
<th>Possible consequence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exempted goods imported or purchased locally for direct and exclusive use in the implementation of an Official Aid-Funded Project, to the extent provided for under the financing agreement.</td>
<td>Sh. 7,205 per 1000lit @20degC</td>
<td>This exemption will allow aid funded projects to purchase goods with funds received from donors whose policies do not allow them to finance expenditure on taxes – provided that the fact that the funds should not be appropriated towards payment of duties and taxes is stated in the financing agreement.</td>
</tr>
<tr>
<td>Exemptible goods imported for direct use in the manufacture of sanitary towels.</td>
<td>Nil</td>
<td>This amendment will work in tandem with the amendment creating an exemption from VAT on raw materials for sanitary towels to reduce the cost of local manufacture of sanitary towels. This will encourage local manufacture of sanitary towels as well as reduce the market cost of this necessity.</td>
</tr>
<tr>
<td>All goods including materials supplies, equipment, machinery and motor vehicles for the official use by the Kenya Defense Forces and the National Police Service.</td>
<td>Nil</td>
<td>This amendment is reasonable as the beneficiaries of the excise exemption are security organs of the State.</td>
</tr>
</tbody>
</table>

Effective Date: 9th June 2016

Other changes in excise duty rates

The following table summarises the changes that have been made to the excise rates of various goods:

<table>
<thead>
<tr>
<th>Item</th>
<th>Old rate (Sh)</th>
<th>New rate (Sh)</th>
<th>Possible consequence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illuminating Kerosene</td>
<td>Nil</td>
<td>Sh. 7,205 per 1000lit @20degC</td>
<td>This amendment will increase the price of illuminating Kerosene and discourage its use. Since taxation of LPG has been reduced, it is expected that consumers will opt to use it as a substitute. The increased price of kerosene will also discourage contamination of petroleum with kerosene.</td>
</tr>
<tr>
<td>Cosmetics and Beauty Products</td>
<td>Nil</td>
<td>10%</td>
<td>This will impact users of cosmetics and beauty products who will pay about 10% for these non-necessities.</td>
</tr>
<tr>
<td>Water excluding mineral waters, aerated water, flavoured water, and water containing added sugar or sweetening.</td>
<td>Sh.5/Litre</td>
<td>Nil</td>
<td>This amendment will bring down the price of water by at least Sh. 5 per litre. Seeing as water is a necessary as opposed to a luxury product, this amendment will contribute to a more equitable tax regime in Kenya.</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>Sh. 150,000 per unit for vehicles less than three years old; an</td>
<td>20%</td>
<td>This amendment will contribute towards more equitable taxation of motor vehicle purchasers as the quantum of excise duty will be based on the value of the vehicle being purchased.</td>
</tr>
<tr>
<td>School buses for use by public schools</td>
<td>Sh. 200,000 Per unit for vehicles over three years old.</td>
<td>Nil</td>
<td>This amendment is reasonable as public schools are state-funded. This amendment will make it more affordable for public schools to invest in buses for students’ benefit.</td>
</tr>
<tr>
<td>Locally assembled motor cycles</td>
<td>Sh. 10,000 per unit</td>
<td>Nil</td>
<td>This amendment will encourage purchase of locally assembled motor cycles and enable their manufacturers to compete with foreign manufacturers whose products will be subjected to excise duty on importation into Kenya.</td>
</tr>
</tbody>
</table>

Effective Date: 9th June 2016
VALUE ADDED TAX ACT

Special economic zones

The Finance Act, 2016 has amended Section 2 of the Value Added Tax Act, 2013 (the “VAT Act”) in the definition of a registered person to exclude special economic zones (SEZs).

Additionally, as discussed above, the definition of “export” has been amended to include movement from Kenya to a SEZ and “importation” to include movement of from a SEZ into Kenya.

Further, the supply of taxable goods to SEZ enterprises, developers and operators has been removed from the exempt schedule. This is because such supplies will automatically be zero rated in view of the fact that the supplies will be considered as exports. Nevertheless, the supplies to SEZ enterprises have been expressly included in the zero rated schedule.

Possible consequence

This amendment affects investors proposing to invest in Special Economic Zones. The amendment serves to provide the framework for the place of Special Economic Zones within Kenya’s VAT framework and to ensure that investors doing business in Special Economic Zones are entitled to the same VAT benefits that have been accorded to those in Export Processing Zones.

Further, the amendments bring accord between the VAT Act and the Special Economic Zones Act which provides that “export” means to take or cause to be taken out of the customs territory or into a special economic zone and “import” means to bring or cause to be brought into the customs territory or a special economic zone.

Effective Date: 1st July 2016

Clarification on the definition of hotels for VAT purposes

The Finance Act, 2016 has included a comprehensive definition of the term “hotel” in the VAT Act. A hotel is defined as including premises commonly referred to as “service flats”, “service apartments”, “beach cottages”, “holiday cottages”, “game lodges”, “safari camps”, “bandas” or holiday villas” and other premises or establishments used for similar purposes, but does not include-

(i) Premises on which the only supply is under a lease or license of not less than one month, unless the agreement relating thereto provides that by prior arrangement the occupier may, without penalty, terminate the lease or license on less than one month’s notice; or

(ii) Premises operated by an educational or training institution approved by the Cabinet Secretary for the time being responsible for education for the use of the staff and students of that institution; or

(iii) Premises operated by a medical institution approved by the Cabinet Secretary for the time being responsible for health, for the use of the staff and students of that institution.

Possible consequence

This amendment affects individuals and body corporates who are in the business of providing accommodation in premises that fit the definition of a “hotel”. They will now be required to charge VAT for services provided at these premises.

More significantly, the amendment gives clarity on the types of accommodation that do not qualify for exemption under the first schedule to the VAT Act.
FINANCE ACT 2016

which provides for the exemption from VAT of residential premises. Residential premises are defined as including land or a building occupied or capable of being occupied as a residence but excluding hotel or holiday accommodation.

This provision has led to ambiguity in the past as to whether the supply of residential premises in the form of service flats, service apartments and various forms of cottages, all residential in nature, is exempt from VAT.

Following the amendment, the law is now clear that provision of accommodation in such premises will be exempt only if they have been let under a lease or license of at least one month.

**Effective Date: 1st July 2016**

Zero-rating of supply of liquefied petroleum gas (“LPG”)

The supply of LPG has been changed from being subject to VAT at 16% to 0%.

**Possible consequence**

This amendment affects all consumers of LPG throughout Kenya and ought to drive the price of LPG down by a 16% margin.

This is expected to incentivise use of LPG as opposed to kerosene, wood and other substitute sources of fuel for cooking and heating.

**Effective Date: 9th June 2016**

VAT on service charges in lieu of tips

The Finance Act, 2016 has amended the VAT Act to provide that any service charge paid in lieu of tips will not be subject to VAT provided that the service charge is distributed directly to the employees of the hotel or restaurant in accordance with a written agreement between the employer and the employee; and the service charge does not exceed 10% of the price of the service, excluding such service charge.

**Possible consequence**

This amendment will serve to reduce the administrative burden of accounting for VAT on service charges received, and possibly incentivise and increase the amount of service charge that is received by staff in the hospitality industry since the cost of VAT will no longer be passed to the consumer of the hospitality services.

**Effective Date: 1st January 2017**

Exemption of inputs for animal feeds

The VAT Act has been amended to exempt any materials, waste, residues and by-products and preparation of a kind falling within specified tariff numbers and used in animal feeding.

**Possible consequence**

This amendment will reduce the cost of animal feeds derived from residue and by-products in the designated tariff numbers and will effectively encourage sustainable use of resources by incentivising constructive use of re-usable waste, residue and by-products to manufacture animal feeds.

**Effective Date: 9th June 2016**

Exemption of motor vehicles for use in implementation of official aid funded projects

The VAT Act has been amended to exempt from VAT motor vehicles imported or purchased for direct and exclusive use in the implementation of official aid funded projects upon approval by the Cabinet Secretary responsible for the National Treasury.

**How VAT is calculated**

<table>
<thead>
<tr>
<th>Output Tax</th>
<th>Input Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAT charged on sales</td>
<td>VAT charged on purchases</td>
</tr>
<tr>
<td>= VAT due or creditable</td>
<td></td>
</tr>
</tbody>
</table>
The Finance Act, 2015 had already exempted from VAT all other purchases and imports for use in aid funded projects.

Possible consequence
The tax costs incurred by aid funded projects have been brought further down and the funds that would otherwise have been appropriated to pay tax may be redirected towards their aid activities. Further, this exemption will allow aid funded projects to purchase motor vehicles with funds received from donors whose policies do not allow them to finance expenditure on taxes.

Effective Date: 9th June 2016

Exemption of VAT on supplies to film producers and agents
The VAT Act has been amended to make recommendation by the Kenya Film Commission a prerequisite to any VAT exemption on goods imported or purchased locally for use by the local film producers and local filming agents. Such recommendation will also be required for exemption from VAT for services rendered to local film producers and agents.

Possible consequence
This provision might make it more difficult for film producers and local filming agents to procure VAT exempt goods.

Effective Date: 9th June 2016

VAT on supplies for construction of industrial and recreational parks
It will be easier to obtain a VAT exemption for goods required for construction of industrial works as such exceptions will only be subject to the approval of the Cabinet Secretary for the National Treasury only. The recommendation by the Cabinet Secretary responsible for Industrialisation will no longer be required.

The exemption from VAT on goods for use in construction of recreational parks which was previously limited to those of 100 acres or more has been extended to additionally exempt goods and services for direct and exclusive use in construction of recreational parks of 50 acres or more, tourism facilities, as well as convention and conference facilities.

Possible consequence
The amendment affects investors in industrial parks and recreational facilities. Notably, supplies for construction of tourism and conference facilities will also be exempt. This is likely to spur development of tourism and conference related infrastructure in the country.

Effective Date: 9th June 2016
TAX PROCEDURES ACT

Appointment of tax representative by non-residents

The Finance Act, 2016 clarifies the position on appointment of tax representatives by non-resident persons who do not have a fixed place of business in Kenya.

All such non-residents who are required to register for tax must appoint tax representatives, failing which the Commissioner may appoint a representative on their behalf.

Possible consequence

This amendment ensures certainty in the procedure for taxable non-resident persons to meet their tax obligations in Kenya. It will also contribute towards the closing of tax leakages from Kenya.

Effective Date: 9th June 2016

Registration of tax agents

In addition to the existing requirements for registration of tax agents, that is, application to the Commissioner in the prescribed form and payment of the prescribed fee, prospective agents are now required to be recommended for registration by the Tax Agents Committee.

Possible consequence

The requirement for recommendation by the Committee is intended to introduce a measure of independence from the Commissioner, given that tax agents are required to represent their clients in disputes against the Commissioner.

It is however questionable how independent, if at all, the Tax Agents Committee will be given that its members are appointed solely by the Commissioner under the Kenya Revenue Authority (Tax Agents) Regulations, 2012.

Effective Date: 1st January 2017

Timelines for decisions by the Commissioner-General

The Act introduces a number of decision making timelines for the Commissioner-General (the “Commissioner”) as follows:

(a) A decision on an application for extension of time to pay tax must be issued within 30 days of receiving the application.
(b) A decision on a notice by a prospective agent under an agency of its inability to comply with the agency notice must be made within 30 days of receipt.
(c) A decision on an application by a taxpayer for refund of overpaid tax must made be within 90 days of receipt of the application.

Possible consequence

These amendments are expected to provide certainty to all parties on timelines and to hasten decision making by revenue officials.

It is however noteworthy that the Act is silent in some cases on the consequences of the failure by the Commissioner to respond within the timelines.

Effective Date: 1st January 2017

Tax amnesty for income earned outside Kenya

The Act provides an amnesty on tax, penalties and interest for income earned outside Kenya for any year of income ending on or before 31st December 2016 provided that the taxpayer has filed returns for 2016 by 31 December 2017.
Possible consequence
The amendment is expected to encourage reinvestment of income earned by Kenyans living abroad back to the country by providing tax amnesty and exempting penalties and interest from failure to file returns in previous years as an incentive.

Effective Date: 1st January 2017

Appointment of VAT withholding agents
The Act reintroduces withholding VAT by an amendment empowering the Commissioner to appoint or revoke appointment of VAT withholding agents to withhold 6% of the taxable value on purchases at the time of payment for supplies and directly remit the same to the KRA.

The Act also provides that persons who ceased to withhold VAT following the repeal of Section 25A of the Value Added Tax Act, 2013 are not liable to suffer any penalties thereof.

Possible consequence
The reintroduction of withholding VAT, which had been eliminated by the Tax Procedures Act, may have a detrimental effect on business due to increased administrative burden and cash flow constraints.

Further, there will be accumulation of refunds due to suppliers in VAT credit positions whose customers withhold VAT when making payment to them. The amendment will however widen the tax net by ensuring further compliance with VAT laws.

Effective Date: 19th January 2016

Timelines for and interest on refund of overpaid tax
The Finance Act, 2016 expands the time for application for refunds of overpaid tax, from within one year to within five years of payment.

However, this timeline shall not apply to VAT.

Further, the Commissioner must repay such taxes within two years, failure to which, interest of 1% per month accrues. Similarly, in cases where the Commissioner makes a refund in error, interest of 1% will accrue against the taxpayer from thirty days from the date the Commissioner makes a demand for the erroneous refund.

Possible consequence
These amendments ensure certainty in the tax refund process. They also provide for parity between the periods within which a taxpayer can claim a refund and that within which the Commissioner can demand underpaid tax, both of which are now five years. The introduction of interest is also expected to ensure diligence by revenue officials in processing refunds. Although the interest is geared at compensating taxpayers for lost value of money if refunds are delayed, it is not comparable to the penalties and interest imposed on taxpayers who delay payment of taxes.

Effective Date: 1st January 2017

Remission of interest
The Act provides for remission of interest in addition to remission of penalties which was provided for in the Tax Procedures Act. Such remission of interest or penalties is granted by the Commissioner with the approval of the Cabinet Secretary where there is uncertainty as to law or fact; recovery is impossible or unduly difficult or expensive; or in consideration of equity or hardship.

Possible consequence
The amendments now allow the Commissioner discretion to waive interest in deserving cases. The amendments will also reduce arbitrariness in granting remission by specifying the criteria applied for grant of such remission.

Effective Date: 1st January 2017
TAX APPEALS TRIBUNAL

Timelines

The following amendments relating to timelines have been made to the Tax Appeals Tribunal Act (the “TATA”):

- The Tribunal has been given the power to grant an application by a taxpayer for the extension of time to file a notice of appeal; and
- The period within which the Commissioner-General must serve the appellant with a copy of its appeal document has been prescribed as two working days from the date of submission of the documents to the Tribunal. This amendment will bring parity between taxpayers and the tax authorities in tax appeals since taxpayers are also required to serve the Commissioner-General with appeal documents within two days.

Possible consequence

The impact of these amendments is to ensure administrative fairness in the tax appeals procedure.

Effective Date: 1st January, 2017

Conclusion

The above summary is meant to assist taxpayers comply with the current tax legislation. Readers are however advised to refer to the Finance Act, 2016 for the comprehensive amendments.
Why do some companies succeed, whereas others fail? Strategic leadership is about how to most effectively manage a company’s strategy-making process to create competitive advantage.

Strategy-making is the process by which managers select and implement a set of strategies that aim to achieve a competitive advantage.

Strategy formulation is the task of selecting strategies, whereas strategy implementation is the task of putting strategies into action, which includes designing, delivering and supporting products; improving the efficiency and effectiveness of operations; and designing a company’s organisational structure, control systems, and culture.

This article seeks to explain how leaders can manage the strategy-making process by formulating and implementing strategies that enable a company to achieve a competitive advantage and superior performance. Moreover, you will learn how the strategy-making process can go wrong, and what managers can do to make this process more effective.

Strategic leadership is concerned with managing the strategy-making process to increase the performance of a company, thereby increasing the value of the enterprise to its owners, that is, its shareholders. To increase shareholder value, managers must pursue strategies that increase the profitability of the company...
and ensure that profits grow. To do this, a company must be able to outperform its rivals; it must have a competitive advantage.

Maximising shareholder value is the ultimate goal of profit-making companies, for two reasons. First, shareholders provide a company with the risk capital that enables managers to buy the resources needed to produce and sell goods and services. Risk capital is capital that cannot be recovered if a company fails and goes bankrupt. Shareholders will not provide risk capital unless they believe that managers are committed to pursuing strategies that provide a good return on their capital investment. Second, shareholders are the legal owners of a corporation, and their shares therefore represent a claim on the profits generated by a company. Thus, managers have an obligation to invest those profits in ways that maximise shareholder value. Managers must behave in a legal, ethical and socially responsible manner while working to maximise shareholder value. By shareholder value, I mean the returns that shareholders earn from purchasing shares in a company. These returns come from two sources:

(a) Capital appreciation in the value of a company’s shares.
(b) Dividend payments.

One way of measuring the profitability of a company is by the return that it makes on the capital invested in the enterprise. The return on invested capital (ROIC) that a company earns is defined as its net profit over the capital invested in the firm (profit/capital invested). By net profit, I mean net income after tax. By capital, I mean the sum of money invested in the company: that is, stockholders’ equity plus debt owed to creditors. So defined, profitability is the result of how efficiently and effectively managers use the capital at their disposal to produce goods and services that satisfy customer needs. A company that uses its capital efficiently and effectively makes a positive return on invested capital.

The profit growth of a company can be measured by the increase in net profit over time. A company can grow
its profits if it sells products in markets that are growing rapidly, gains market share from rivals, increases the amount it sells to existing customers, expands overseas, or diversifies profitably into new lines of business. Together, profitability and profit growth are the principal drivers of shareholder value. To both boost profitability and grow profits over time, managers must formulate and implement strategies that give their company a competitive advantage over rivals.

Managers do not make strategic decisions in a competitive vacuum. Their company is competing against other companies for customers. Competition is a rough-and-tumble process in which only the most efficient and effective companies win out. It is a race without an end. To maximise shareholder value, managers must formulate and implement strategies that enable their company to outperform rivals—that give it a competitive advantage. A company is said to have a competitive advantage over its rivals when its profitability is greater than the average profitability and profit growth of other companies competing for the same set of customers. The higher its profitability relative to rivals, the greater its competitive advantage. A company has a sustained competitive advantage when its strategies enable it to maintain above-average profitability for a number of years.

The key to understanding competitive advantage is appreciating how the different strategies managers pursue over time can create activities that fit together to make a company unique or different from its rivals and able to consistently outperform them. A business model is a manager’s conception of how the set of strategies their company pursues should work together as a congruent whole, enabling the company to gain a competitive advantage and achieve superior profitability and profit growth. In essence, a business model is a kind of mental model of how the various strategies and capital investments a company should fit together to generate above-average profitability and profit growth. A business model encompasses the totality of how a company will:

- Select its customers.
- Define and differentiate its product offerings.
- Create value for its customers.
- Acquire and keep customers.
- Produce goods or services.
- Lower costs.
- Deliver goods and services to the market.
- Organise activities within the company.
- Achieve and sustain a high level of profitability.
- Grow the business over time.

It is important to recognise that in addition to its business model and associated strategies, a company’s performance is also determined by the characteristics of...
A business’s model greatly determines its performance in the industry in which it competes. Different industries are characterised by different competitive conditions. In some industries, demand is growing rapidly, and in others, it is contracting. Some industries might be beset by excess capacity and persistent price wars, others by strong demand and rising prices. In some, technological change might be revolutionising competition; others might be characterised by stable technology. In some industries, high profitability among incumbent companies might induce new companies to enter the industry, and these new entrants might subsequently depress prices and profits in the industry. In other industries, new entry might be difficult, and periods of high profitability might persist for a considerable time. Thus, the different competitive conditions prevailing in different industries may lead to differences in profitability and profit growth. For example, average profitability might be higher in some industries and lower in other industries because competitive conditions vary from industry to industry.

Managers are the linchpin in the strategy-making process. It is individual managers who must take responsibility for formulating strategies to attain a competitive advantage and for putting those strategies into effect. They must lead the strategy-making process.

In most companies, there are two primary types of managers: general managers, who bear responsibility for the overall performance of the company or for one of its major self-contained subunits or divisions, and functional managers, who are responsible for supervising a particular function, that is, a task, activity, or operation, such as accounting, marketing, research and development (R&D), information technology or logistics. Put differently, general managers have profit-and-loss responsibility for a product, a business or the company as a whole.

A company is a collection of functions or departments that work together to bring a particular good or service to the market. If a company provides several different kinds of goods or services, it often duplicates these functions and creates a series of self-contained divisions (each of which contains its own set of functions) to manage each different good or service. The general managers of these divisions then become responsible for their particular product line. The overriding concern of general managers is the success of the whole company and also the divisions under their direction; they are responsible for deciding how to create a competitive advantage and achieve high performance.
profitability with the resources and capital they have at their disposal.

We can now turn our attention to the process by which managers formulate and implement strategies. Many writers have emphasised that strategy is the outcome of a formal planning process and that top management play the most important role in this process. Although this view has some basis in reality, it is not the whole story.

The formal strategic planning process has five main steps:

- Select the corporate mission and major corporate goals.
- Analyse the organisation’s external competitive environment to identify opportunities and threats.
- Analyse the organisation’s internal operating environment to identify the organisation’s strengths and weaknesses.
- Select strategies that build on the organisation’s strengths and correct its weaknesses in order to take advantage of external opportunities and counter external threats. These strategies should be consistent with the mission and major goals of the organisation. They should be congruent and constitute a viable business model.
- Implement the strategies.

The planning model suggests that a company’s strategies are the result of a plan, that the strategic planning process is rational and highly structured and that top management orchestrates the process.

Several scholars have criticised the formal planning model for three main reasons: the unpredictability of the real world, the role that lower-level managers can play in the strategic management process and the fact that many successful strategies are often the result of serendipity, not rational strategising.

Conclusion

Effective strategy formulation and implementation is the key to generating a competitive advantage. In strategy formulation, an organisation should focus on its strengths that propel it past its competitors, while managing its weaknesses to avoid adverse impact from competitors taking advantage of its limitations.
Any business, small or big, that extends credit will invariably have a debt collection issue. Accounts will fall in arrears, some customers will simply not pay and like a rusted bolt, they will not budge no matter how many times you remind them. For many businesses, debts may balloon to unmanageable levels and threaten the very existence of the business.

Some organisations have ample internal capacity to deal with rising debt and debtors, but there are many others that are ill equipped. It behoves the latter to seek external help to manage their debt. This need usually lands the latter at the doorstep of a professional debt collector. A debt collector is someone who undertakes to regularly collect debts on behalf of a client at a commission. He acts as an agent for the person owed and therefore undertakes the task under his authority. Debt collectors include collection agencies and lawyers.

Studies have shown that collection agencies offer the best odds of obtaining payments out of obstinate debtors.

While the need to seek external help in matters debt collection is obvious for the ill-equipped business, most shy away from using debt collection agencies and struggle to collect by themselves. This is the case because debt collectors are mistrusted and misunderstood. This has come about because a number of debt collectors have been caught on the wrong side of ethical behaviour. Given that there will always be a rotten potato in a sack, just how do you go about identifying the right collection agency? This article throws light on this issue.

**GUIDELINES FOR SELECTING THE RIGHT COLLECTION AGENCY**

WASILWA MIRIUNGI, Managing Director, Del Creder Credit Management Limited

They are not the enemy: It is in the best interest of the agency to find a way to work with debtors and get the debt paid in the shortest amount of time. Most reputable collection agencies don’t get paid, unless they collect.

They work as a third party: Agencies work as a third party to collect for a variety of small and large businesses or organisations.

They do not buy debt: Collection agencies do not buy debt, so they can’t lower your debt, but they can work with you regarding a term that works within the confines of the contract with their clients.

They realise things cause late pay: Agencies realise that everyone can have extenuating circumstances that cause this late pay. As the consumer, make sure to work out a plan as that will go against your credit score.
When it is time to call in outside help, how do you select the right partner from among the hundreds of collection agencies?

Choosing a reputable firm is important. But there is much more than reputation to think about. You need a firm that fits your corporate culture and provides the kind of relationship you consider important while you find out whether they understand your expectations and will partner with you to help you meet your goals.

Focusing on the following areas will help you select the right collection agency for your company.

(1) **The customer base**: Are your customers doubling as consumers, other businesses, or both? The agency you select should specialise in collecting from the category of customers you serve, for instance, a consumer credit collection agency for consumer debts; a trade agency for business-to-business accounts. If you have a mixed portfolio, consider dividing it. This way you will be able to use the expertise of your collection partners most effectively. Another option is to find a company that has extensive experience in both consumer and trade collections.

(2) **Size and location**: Collection agencies range in size from small local agencies to large multinational firms. One size does not fit all. The size and reach of your collection agency should match that of your company. If you are a small business providing goods or services within your town or region, a small collection provider with good local contacts will be able to effectively handle your accounts. If, on the other hand, you sell nationwide or internationally, look for an agency with contacts and expertise across the countries where you do business.

(3) **Integrity and standards**: If you hope to re-sell to your customer once the bad debt is cleared, select an agency that values integrity and conforms to high standards of customer relations. The way your collection agencies handle the collection process and your customer reflects on your business. A reputation for unethical collection practices and unprofessional treatment of customers is viral. Not only will it affect re-selling to current customers, it may cost you prospective customers as well. The challenge we have is lack of independent regulatory bodies or a Consumer Credit Act that can be tasked with regulating the collection industry plus certification. This reality calls for the strengthening of the **Institute of Credit Management (Kenya)** as this body has interest and a curriculum that suits this task. Before engaging an agency, you may contact other businesses that have been served by that agency. Check to make sure there have not been any complaints against the agency to which it has not responded appropriately and attempted to resolve.

Debt collectors can be rude
(4) **Legal and financial position:** Size does not necessarily mean strength. Smaller to mid-size agencies can be more financially stable than a large, public firm. Try to determine if there are any negative financial issues that may affect the ability of the agency to pay you your money once it is collected. It is prudent to check into their accounting practices. Do they maintain a separate account where monies from collections are held until remitted to you, the client? These are called “trust accounts.” Though this may happen, the best option is where the agency does the follow-up and all the payments are directly made to you as the hirer/user. This will help eliminate duplication and embezzlement. Ensure that the collection agency is registered and be sure that your agency of choice is licensed where necessary. They should also be adequately insured and bonded, if that is your requirement.

(5) **Experience:** How long has the collection firm been in business? How much experience does the company leadership (executive and managers) have in collection? What about the collectors – are they certified by an independent association? What is the collector’s turnover? These questions are crucial in determining if the company has enough expertise to effectively handle your most valuable asset - your customers. Debt collectors should demonstrate their knowledge and expertise of the collection industry by passing a rigorous examination; in this case, the Kasneb DCM and CCP certifications. Has the agency you are considering required that its collectors achieve certification through these programmes?

(6) **Cost:** There are trade-offs, with the costs of any recovery effort, or using any collection agency. Pure contingency, where you pay nothing, moves all the risks to the agency and they usually charge more. When the contingency fee is reduced, the fees you must pay usually increase. When you pay a bigger share to get your debt recovered, there should not be any extra up front, or other fees. Where the debt, and the debtor’s available assets are large, you may be able to negotiate a better rate, however this is rare because most debtors do not hold onto money very long.

(7) **Industry specialisation:** In general, the collection process is pretty much the same across industries. There is no vast difference between collecting from an importer versus collecting from a distributor or retailer. In some industries, however, such as telecommunications and healthcare, special regulatory conditions exist. Collectors working in areas governed

Credit management examinations offered by Kasneb
We guarantee that if we don’t bring in your money, it won’t cost you a cent in commission!

We make the collection process 100% risk-free, hassle-free and stress-free. You have nothing to lose and everything to gain.

**We increase your cashflow**
Our systems and debt collectors are geared to getting you paid sooner resulting in increased cash flow and less stress for you.

**We increase your profits**
With fewer bad debts, fewer outstanding accounts and ability to recover your collection costs, your profit margin will permanently increase.

**We achieve results you cannot**
Being mercantile agents, we can credit default, make face-to-face visits, take legal action and locate non-payers. Our actions have a permanent effect.

**We save you time and effort**
We specialise in debt recovery, making us efficient and effective. We let you focus on growing your own business without the worry.

**We are 100% dedicated to you**
Our professional staff are experienced and dedicated to providing you with exceptional one-on-one attention.

A typical advertisement by a collection agency

by such regulations must be expert at applying them to their handling of your debtors. Therefore, if your industry or customer base is governed by specific rules and regulations, find a collection partner with the appropriate knowledge and experience.

**Technology:** Given the current level and availability of technology, you should expect your agency to offer some type of online access that lets you view the status of your accounts, correspond with their collectors, and possibly even run statistical reports on your collection portfolio. If you place just a handful of claims a year, this may not be an important issue, as long as the collectors regularly update you on the status of each account. But if you have hundreds or thousands of accounts, you will definitely want to use an agency that provides easy Internet access to this information. Their ability to customise ad hoc reports should also be a deciding factor.

**Fee structure:** A contingent fee structure (that is, no collection, no pay) is pretty much standard for collections around the world. In addition, most collection firms use some sort of tiered structure. Historically, fees have been based on the amount of the account if a single account, or the size of the collection portfolio, the amount collected, and the type of handling – in-house, or lawsuit – required to be collected. However, other factors that may be used to set rates include: the age of the account at engagement, the location of the debtor and the type of engagement (manual or automated). If you are only placing a small number of accounts with the agency, you may not be able to negotiate any special rates. The standard fee schedules for most firms are very similar. Some firms, however, increase their rate based on the age at debt. Or, they may require an upfront engagement fee for old accounts. If you have a very old (more than 12 Months arrears) account, you may want to look for an agency that does not adjust its fee based on the age of the claim. The good news is the collection industry is very competitive. So if you will be placing large amounts
of money or a significant number of accounts, you will have a lot of leverage. You should be able to negotiate a flat fee, at least for in-house collections, and require the agency to remit “gross”. However, in collections, as elsewhere, you get what you pay for. So do not take the lowest quote without a clear understanding of how the accounts will be handled. Collection firms are in business to make money, just like you are. The firm with the lowest fee may not provide the quality of service required, or meet your handling requirements.

(10) **Value addition:** The extras that some collection firms provide, like training programmes, educational materials may not seem particularly important, but do not be too quick to ignore them. These “value adds” are often an indication of an agency’s expertise, commitment to the industry and desire to provide quality service to their customers.

(11) **Contract:** The best contracts are not too long, in large type and are written to be easy to understand, with terms and costs clearly explained.

(12) **Recovery rate:** Recovery rate should be a major factor in your analysis. Typically, recovery rates are calculated on the entire portfolio, regardless of age at engagement, date placed, average size of account and location of debtor. A recovery rate calculated in this manner, however, does not give the most accurate assessment. Consider requesting the agency to provide recovery rates based on the following:

- **Recovery rate on all accounts.** Keep these factors in mind; the type and age of accounts being included in the calculation and the percentage of claims still open at the time the recovery rate was calculated.
- **Recovery rate on closed accounts.** Any account that is still open has the potential to be collected. A recovery rate based on closed claims probably provides the fairest analysis of your agency’s results. Even better - remove accounts that involve bankruptcies, have passed the law of limitations and valid disputes from the calculation. In most cases, these were not collectable to begin with.
- **Recovery rate on claims that have been worked at least 60-90 days.** It is not fair to make a judgement on a recovery rate that includes accounts that have just been placed. Allow the agency a reasonable amount of time to work the claims. When selecting what you consider a “reasonable” amount of time, don’t
forget to consider extenuating factors, such as age at engagement and complexity. Older accounts and those with complex issues often end up with lawyers, increasing the length of time needed to collect.

• **Recovery rate by aged debtors.** According to collection experts, the older an account when it is placed with a debt collector, the less the likelihood of collection. Note: When comparing the recovery rate of multiple agencies, make sure all are calculating “age debtors” in a similar manner.

• **Recovery rate by location of debtor.** This is valuable particularly when international accounts are included in the portfolio.

• **Recovery rate by each of your divisions or locations.** The agency should be able to set up your account so that you get an overall view of the results, and each division or location gets accurate data for their piece of the portfolio. This can provide essential intelligence into the effectiveness of each division’s internal processes. For instance, if a particular division is receiving significantly higher recoveries than the rest of the company, they might have better internal processes that can be duplicated to improve the overall percentage collected.

• **Stage of recovery.** How accounts are recovered has a huge impact on the price you pay for collection – and cost, though by no means the most important, is another thing to consider when evaluating how your agency is performing. If the agency is able to collect your accounts in-house, your contingent fees will generally be less than if an advocate is brought into the picture. In addition, if the collection can be made amicably, you save court costs and the extra portion filing fee.

• **Time-frame to recovery.** Another factor you will want to consider is how long, on average, it takes your agency to collect your accounts.

The first eleven factors touch on the qualitative aspect and last three on quantitative side since you want to be as objective as possible when analysing the above factors. But, when push comes to shove, if you are not comfortable with your agency’s personnel or do not feel they are responsive to your needs you may have gone to the wrong agency. If your overall perception is negative, however, let the agency know. Give them the opportunity to address your issues.

**Conclusion**

By exploring the above areas, you should be able to get the right collection agency. In a nutshell, seek a partner not just a trader. You want a firm that not only gives you good value for your money, but also complements your culture and adds value to your relationship.
Does the thought of being self-employed ever come to your mind anytime you are meditating on your life? Maybe yes, maybe not. But just how does it feel to be your own boss?

Self-employment is that situation where a person works for himself instead of working for someone else as an employee. A self-employed person will earn his income through profitable operations from trade or a business that they operate.

Often seen as one and the same, an entrepreneur and a person who is self-employed may share the similarity of owning a business. But beyond that, they begin to navigate down vastly different paths.

When we take a deeper look of the two positions, we see the major difference lies in the fact that the self-employed are owners of the business, whereas an entrepreneur simply operates a business. The dictionary defines the two as follows:

- **Self-employed:** Working for oneself as a freelancer or the owner of a business rather than for an employer.

- **Entrepreneur:** A person who organises and operates a business or businesses, taking on greater than normal financial risks in order to do so.

Typically, the majority of business owners fall under the category of “self-employed”. They begin with a skill or particular set of skills and the realisation that they can use those skills to make money. This is where the crash course in business begins. From insurance and licenses to accounting and marketing, soon many owners are smothered in the infinite amount of hours required to keep the business alive.

While many individuals are still the “owners” of the business, they typically carry all the responsibilities of an employee. This combination of duties can create many
limitations on the success of the business. Essentially working anywhere from 2-10 jobs, the self-employed are overworked, underpaid and lucky to get a few days off in a year.

On the other hand, an entrepreneur is all about risk and reward. They think outside the box for the best ways to succeed and move on to their next venture. While the businesses might be of interest, it is really the passion of the start-up and leading something to success that drives them every day. Often this can lead to selling the business or moving on to start a new one once they have everything set for the future.

With many qualities overlapping, where do you see yourself categorised below?

**Entrepreneurs:**
- Flexible
- Creative
- Confident
- Passionate

**Self-employed:**
- Hard working
- Goal oriented
- Quality conscious
- Good communicator

Entrepreneurship means different things to different people. Some imagine tech geniuses with Silicon Valley startups, while others picture small business owners opening up their shop doors on main street. Ultimately, entrepreneurship encompasses these and many other business ventures that share a commitment to turning an idea into a profitable business.

“People who are thinking about starting their own business should understand that successful entrepreneurship involves much more than having a great concept,” says Elizabeth Amini, CEO and co-founder of Anti-Aging Games LLC.

“Most people think being an entrepreneur is all about coming up with an idea, but that’s just one part,” says Amini. “It’s also important to know, right from the start, how you will reach interested customers in an effective and affordable way.

“Entrepreneurship is much broader than the creation of a new business venture,” added Bruce Bachenheimer, a clinical professor of management and executive director of the Entrepreneurship Lab at Pace University. “At its core, it is a mind-set — a way of thinking and acting. It is about imagining new ways to solve problems and create value.”

**Who are entrepreneurs?**

There are no specific traits that every entrepreneur shares, but many do possess a few common characteristics.
Successful entrepreneurs are typically confident and self-motivated. They are tenacious but understand their own limitations. Instead of following the status quo, entrepreneurs have a healthy disrespect for established rules and often set out to do things that others may not have the courage to. They are also willing to fail and start over again, taking the lessons they’ve learnt to create something new and improved.

MJ Gottlieb, co-founder of consulting firm Hustle Branding and author of “How to Ruin a Business Without Really Trying,” said it takes a special kind of person to become a successful entrepreneur.

"An entrepreneur is someone who can take any idea, whether it be a product and/or service, and have the skill set, will and courage to take extreme risk to do whatever it takes to turn that concept into reality and not only bring it to market, but make it a viable product and/or service that people want or need,” Gottlieb said.

Research shows that Africans, particularly Kenyans are increasingly choosing entrepreneurship over employment. A study by one of the reputable firms revealed that nearly 65 percent of workers would rather be entrepreneurs or independent employees than work in an office.

**Tips for aspiring entrepreneurs**

If you’re ready to enter the world of entrepreneurship, here are a few important tips to keep in mind.

- **Learn from others’ failures.** Rather than admiring the small percentage of businesses that grow to become successful, study those that end up failing. Gottlieb said this research will greatly increase your chances of success, because most companies have made common mistakes that have led to their demise. He says that having the humility to learn from the mistakes of others before making them yourself is the secret to success.

- **Make sure this is what you want.** Because entrepreneurship entails so much hard work, it is critical to ensure you’re following the right path. Amini said. “If this is something you really want, then think long-term, and be persistent,” she said. “The vast majority of great entrepreneurs failed multiple times before they finally found the business idea that took off and brought them success.”

- **Solve problems.** “Entrepreneurs should always be in search of problems to solve, and not the other way around”, said Ajay Bam, a lecturer in entrepreneurship and innovation at the University of California, Berkeley’s Haas School of Business. In other words, “they should not start with a solution looking for a problem,” he said.

- **Be passionate.** “Successful entrepreneurs are driven primarily by a need for achievement and the desire to make a meaningful difference”, Bachenheimer said. “The most important traits are passion and persistence, but these must not be confused with arrogance and stubbornness,” he said.

- **Get advice from those who have done it.** Amini advised the would-be business owners to find mentors who are successful, as well as to read books, network with people they admire and look into great educational programmes to help them throughout the process. You can borrow a leaf from the Kenya Commercial Bank’s mentorship programme “LION’S DEN.”
Some of the advantages and disadvantages of self-employment

As an employee, you will always be governed by someone superior to you and will always be commanded around. Self-employment is for people who hate to be bossed around and are talented enough to generate salary by selling their expertise independently.

Let us look at some of the benefits of self-employment:

1. **You are your own boss:** Do you hate the idea of someone who is not as talented as you are governing you? Do you hate the feeling of being told what to do and how to do it all the time? Well, if you do, it is time for you to start your journey from a salaried job to becoming self-employed. That way, you will be more pleased with what you do and hence lead a contented life.

2. **More opportunities to earn money:** Going self-employed, you can earn more than what you did when you were a salaried person as the company deductions are not included in your earnings and you get what you receive. You can start with the basic charges and slowly raise your rates based on the positive reviews that you receive for your work.

3. **There is less investment:** You can save a lot of your daily expenses based on the work that you choose. You save on gas as you work from the comfort of your home and thus avoiding the lengthy commutes to your workplace like you used to. Getting up early for meetings and hence going on expensive lunch outs can also be avoided and you can get to have a healthy and delicious home cooked food. Leaving your kid behind with a day care and wondering how your kid’s day has been could be taking an emotional toll on you. One of the benefits of being self-employed is that you can divide time for your family and profession without taking anything else for granted. You can also save on the expensive day care expenses that add on to your daily needs.

4. **Variety of projects that you can execute:** When you are working in a corporate firm, your roles and responsibilities are defined and you are asked to work within a framework. The structure does not allow you to explore other options that are creative and innovative as you need to stick to the designed solution as agreed upon by the seniors and clients. Being a freelancer you can select new challenging projects pushing yourself to innovate and evolve at every step and hence, giving you the job satisfaction.

5. **Drama-free environment:** When you are self-employed, you can create your own peaceful space for working which is devoid of distractions. In an office, especially an open plan one, many
BE YOUR OWN BOSS

people work in the same space and you can’t avoid to overhear official conversations and gossip.

(6) No worries about the sick leave: If you are ill, you don’t have to worry about whether you will get a sick leave or not. As your own boss however, you can inform your clients regarding your health and take a day off from work. You no longer have to beg or give long explanations as to why you were on leave. You have the liberty to choose your own health insurance based on your needs and not what your company has decided for you.

(7) It is your work area: It is your area and your call on how you want to decorate it; you can put up photographs of people or places you like; you can use dual monitors if you want or go for a single one; you can keep a standing desk or a sitting desk. It is your work area and you can decorate it in whichever way you want without having to worry about the company norms and what your colleagues will think or say.

(8) You buy new equipment as and when you want! It is very bureaucratic to get new equipment for your project in a workplace. You need to support and justify your request with all sorts of documentation. Being an own boss, all you have to do is get up, go to the market and buy the needed equipment for your projects. No worries about the approval process and no more waiting time.

(9) No dress code: If you are not the formal dressing kind of person, being self-employed takes away that requirement. As long as you are smart and deliver on client needs, that is all that matters. If you are happy to work in your pyjamas at the comfort of your home or work in funky outfits that define you when you work from any place other than your home, you just go for it. The only time you may have to dress up like a corporate employee would be when you are attending client meetings.

(10) You are in control of your time and programme: As long as you meet the deadlines of your customers or clients, how you schedule or structure your time is entirely up to you. You can decide to work at night and rest by day; you can decide not to work on weekends; you can have a relaxed schedule as well as a tight one and so on. Since you are self-driven, you can be flexible on time depending on deadlines and your energy levels. It is your schedule hence, making you more responsible in planning your day!

(11) You are a valued person now: When you are working in a corporate setup where there are many employees, you may not get the recognition you feel you deserve because all are competing for visibility. At times, your work and efforts get ignored because some other guy took the credit. As a self-employed person, you don’t have to seek recognition and appreciation from anyone else but your clients. If they are happy with your work, they will tell you. When you get a pat on the back, you know your clients value you. Knowing that you are valued can greatly boost your morale and motivate you to work harder on future projects.

(12) You choose your customers: You can choose the customer you want to or not to work for. If you experience a strain in your relationship with a client, you are at liberty to damp them. The responsibility to choose the right clients for yourself is squarely on you. As an employee, you have to work on any project shoved your way, irrespective of whether you like it or not. In such a case, you may not give it your all. As a self-employed person, you will have soul-searched a client before bidding for a project and putting ink on the contract.
Demerits or disadvantages of self-employment

Every rose has thorns to go with it and every coin has two sides. That is the nature of most aspects of life. So before you give that “I resign” note, consider the cons of self-employment and be sure that that is what you want. Having looked at the advantages, let us now look at the disadvantages of self-employment.

(1) Paying more taxes: As a freelancer, you normally end up paying a little more taxes as compared to when you are a corporate employee. Apart from that, you also are responsible for filing your tax returns and are liable for penalties if you submit late. As an employee, that is the job of the organisation.

(2) No more paid leave: In the world of self-employment, the days you are not at work are not paid for. So if you decide to take a break, you are also taking a break from earning. As an employee, you have the luxury of getting paid when you go on leave. You need to constantly remind yourself that as a freelancer, there is nothing called paid leave.

(3) Multitasking all the time: As a freelancer, you package all the roles of a business into yourself. The responsibilities of looking for work, doing the work and billing for it are all yours; you are the manager, the supervisor, the operator, the messenger, the accountant and so on. More often than not, you will end up hiring a helping hand as all these tasks begin to overwhelm you.

(4) Unsteady pay: With employment comes a regular pay that you can bank on one hundred percent. As a freelancer, there is nothing like end month. Projects can be erratic. Some months may bring a lot of work and others may be totally quiet. You may sometimes, within a very short time, earn enough to last you several months but other times, the dry spell may also last for months. You therefore need to be ready to face the unsteady income flow and plan your finances for fat and lean times.

(5) Socially you are isolated: Being on your own comes at a price of being socially isolated. If you are working alone then there would be no social gatherings like that of corporate jobs. There will be no social contacts or friends that you could make through your workplace. It might get a little lonely after a while and you might begin to miss the charm of working with a huge team and the celebrations that come with it when celebrating milestones in your project. Working alone might achieve your milestone but celebrating with yourself is not that inviting and exciting!

(6) Distractions at home: Before getting comfortable working from your home, you might want to think about the various distractions that come with it. If you have children, then their running around and the urge to play with you will distract you. Your spouse may need emotional attention now and then, your helpers may distract you as they go about doing the house chores and so on. Your door bell will robe you concentration as neighbours, relatives, vendors and utilities meter readers come calling. This way, you may end up solving your personal issues more than your work issues.
What do you need to know and have, now that you are self employed?

You’ve grown tired of commuting to a job where you sit in a cubicle and do someone else’s bidding. You’ve got a better idea, you can build a better mousetrap, you know you have the knack for being in the right place at the right time, and so you’re thinking of self-employment. But how do you determine if this is a pipe dream or an idea worth pursuing?

Can you handle it?

Whether you’re running your own business or working as an independent contractor, you’ll soon realise that working for yourself isn’t just another job, it’s a way of life.

Are you someone who likes a nine-to-five routine and collecting a regular paycheck? When you’re self-employed, you must be willing to make sacrifices for the sake of the job. You’re going to work long hours, which means that you won’t have as much time as you used to for family or leisure activities. And if the cash flow becomes a trickle, you’re going to be the last one to get paid.

Can you get along well with all types of people? Being self-employed is all about managing relationships with your clients or customers, your suppliers, perhaps with your employees, certainly with your family and probably with your banker, lawyer and accountant, too.

Are you a disciplined self-starter? Being self-employed means that you’re your own boss. There may be days when you’ll have to make yourself sit at your desk instead of going for a long lunch, or (especially if you work out of your home) place those business calls instead of reading the newspaper.

Finally, do you enjoy wearing many hats? Depending on your line of work, you may be involved in handling marketing and sales duties, financial planning and accounting responsibilities, administrative and personnel management chores, or all of the above.

Your dream come true

Think about how great it will feel to get paid to do what you’d love to do anyway. If you’re working for yourself, chances are you’ll be doing work that you enjoy. You’ll get to pick who you’ll work for or with, and in most cases you’ll work with your customers or clients directly - no go-betweens muddying the waters. As a result, you may have days when it hardly feels as if you’re working at all. Such harmony between your working life and the rest of your life is what attracted you to self-employment in the first place.

Being your own boss means that you’ll be in control of all of the decisions affecting your working life. You’ll decide on your business plan, your quality assurance procedures, your pricing and marketing strategies - everything. You’ll have job security; you can’t be fired for doing things your way. As you perform a variety of tasks related to your work, you’ll learn new skills and broaden your abilities.
You'll even have the flexibility to decide your own hours of operation, working conditions and business location. If you're working out of your home, your start-up costs may be reduced. You'll also experience lower operating costs; after all, you'll be paying for the rent and utilities anyway. If the location of your work isn't important (perhaps you're a freelance writer or a consultant), you can live wherever you want. At any rate, if you work at home, you'll greatly reduce your daily commuting time and expense.

If all goes well and you're making money, chances are you can make more than you did working for someone else. And since you're working for yourself, you may not have to share the proceeds with anyone else. The fruits of your labour will be all yours, because you own the vineyard.

On the other hand . . .

When you're self-employed, particularly if you're starting your own business, you may have to take on a substantial financial risk. If you need to raise additional money to get started, you may need collateral (such as your home) for a loan. Depending on how much or little work you can line up, you may find that your cash flow varies from a flood to a trickle. You'll need a cash backup so you can pay your bills while you're waiting for business to come in or waiting to be paid for completed work. Since you'll have to pay your own creditors first, this means that sometimes you may eat cereal instead of steak.

Remember that you're not making any money if you're not working. You don't have any employer benefit package, which means that it's going to be hard for you to go on vacation, take a day off, or even stay home sick without losing income. It also means that you'll have to provide your own health insurance and retirement plan. Remember, too, that you can choose your clients or customers, but you can't control their expectations or actions. If you don't come through for them, or if you do something that offends them, you might not get paid for your work.

Because you're working for yourself, you're going to have to take care of everything yourself, from figuring your taxes to wiping your office window panes. You'll probably need some new skills, such as bookkeeping and filing tax returns. You can learn to do these things yourself - many software programs are designed just for this market - or you can hire others such as an accountant to take care of them for you. If you're not careful, however, you may find that you're spending more time on the business of being in business for yourself than you are on the work that attracted you to self-employment in the first place.

The bottom line

If you can work long and hard, tolerate risk and stress, cope well with potential disaster and failure and work well alone and with others, then perhaps self-employment is right for you. If not, then perhaps you should keep that job in the cubicle.

The author is a young entrepreneur who recently left his employment to go into his own business. Currently, he is the CEO/Founder of LIVETECH BUSINESS SOLUTIONS, a fast growing ICT business.
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kasneb launched its new brand identity on 31 March 2017 at Kenyatta International Convention Centre (KICC). The new brand encompasses a new look, improved services and a renewed commitment to quality. At the same occasion, kasneb also celebrated the award of the ISO 9001:2015 Quality Management System Certification.
Am delighted to join you this morning to witness this momentous occasion of the launch of the new kasneb professional brand, the new electronic payment service and the ISO 9001:2015 QMS certification. I wish to take the earliest opportunity to congratulate the Board, the Secretary and Chief Executive and Staff for taking this bold step to rebrand the organisation.

This rebranding and related initiatives will not only endear kasneb to its customers through improved service delivery, but also enable the organisation to seize new opportunities and enhance its growth trajectory. I am aware that launching a new brand is not just about colours, symbols and a colourful ceremony: rather, it is a culmination of a variety of activities that should mark the beginning of a journey towards delivering better quality products and services.

The importance of this noble objective becomes clearer when viewed against the backdrop of some recent developments such as stiff global competition, evolving generations with new and unmet demands and quick evolution of technology. In order to address these developments, kasneb has over time demonstrated great commitment to providing competitive professionals who are well prepared and ready to operate in diverse environments in the national, regional and international markets.

The Government is continuously focused on ensuring that public service is responsive to the needs of the various stakeholders. To this end, public sector reforms are introduced from time to time to guide improvement in service delivery, accountability and transparency. Some of these reforms include development and implementation of organisational strategic plans, performance contracting, ISO certification and results based management among other programmes.

I am pleased to acknowledge that kasneb which is a state corporation under my Ministry, has been at the forefront in implementing public sector reforms. I am particularly impressed to note that kasneb has consistently been classified in the “very good” category in performance contracting since the financial year 2005/2006 and that it is committed to achieving the excellent category.

It is also worth noting, that, as one of the parastatals in the National Treasury, kasneb continues to be a shining example of institutions committed to implementing
the Government’s fiscal and other policies, including in the areas of budgeting, adoption of International Public Sector Accounting Standards (IPSASs), and submission of various financial and non-financial reports to government regulatory agencies. This commitment is best exemplified by the non-qualified reports that kasneb continues to receive from the office of the Auditor General. I note and congratulate the Board and staff for this achievement.

Further, and as you may be aware, kasneb was ISO certified in 2013 and more recently attained certification under the revised ISO 9001:2015 International Standard. This new standard was only launched in September 2015 and for kasneb to obtain certification under the standard in July 2016 is commendable. Indeed I am informed that kasneb was the second organisation in the country to be certified by Kenya Bureau of Standards under the ISO 9001:2015 International Standard. Congratulations.

The critical role that kasneb plays in the economy is clearly demonstrated by the contribution of kasneb professionals in the fields of accountancy, finance, governance and management and information technology. These professionals have been vital in providing leadership and good governance which are key ingredients for sustainable growth of a country. It is noteworthy that many organisations, both in the public and private sectors are led and managed by these professionals. I challenge you however, to strive to move to greater heights and break new ground especially within the borders of the East African Community. It is not far fetched to state that you have the expertise, experience and potential to be the regional professional examinations body in the various areas that you examine.

I am happy to note that kasneb’s role in the growth of the financial markets has been further enhanced by the recent enactment of the Investment and Financial Analysts Act, No.13 of 2015 which recognises the Certified Investment and Financial Analysts (CIFA) examination as the eligible qualification for persons wishing to work and practise as investment and financial analysts. We look forward to witnessing greater professionalism in this sector as a critical mass of graduates of the CIFA qualification is developed gradually.

To sustain Kenya’s status as a middle income country and to fulfill the aspirations of Vision 2030 calls for continued supply of professionals who are dynamic and globally competitive. This, I note has been achieved through ensuring conformity of the curriculum with the relevant international standards, including International Financial Reporting Standards (IFRSs), International Standards on Auditing (ISAs) and IPSASs.

The adoption and upholding of these standards has ensured that kasneb continues to be a reference point for other examination bodies in the country and the region. It is for this reason that a number of other institutions continue to benchmark with kasneb. A case in point is the Kenya Institute of Supplies Management (KISM) whose suppliers practitioners examinations are being administered by kasneb. I urge more professional bodies to take a cue and partner with kasneb and benefit from the reputation, quality and integrity associated thereto. This is the professional brand that we are celebrating today.

The current education reforms and other on-going initiatives call for the support and collaboration of all players in the education sector. In this regard, I am aware that kasneb has continued to liaise closely with the Ministry of Education, the Technical and Vocational Education and Training Authority (TVETA), the Kenya Institute of Curriculum Development (KICD) and other sector players in matters such as curriculum development, accreditation of training institutions and administration of examinations.

I have also been briefed on the on-going discussions between kasneb and the Kenya Universities and Colleges Central Placement Service (KUCCPS) with the aim of facilitating the admission of kasneb students to TVET institutions through KUCCPS. This would also enable the students to access education funding through the Higher Education Loans Board (HELB) besides expanding the education opportunities available to Kenyans. I therefore wish to call upon the key stakeholders including the Ministry of Education, TVETA and HELB to lend support towards realising this objective.

As we launch the new professional brand, it is important to recap some key initiatives which have been put in place to ensure that the rebranding translates to enhanced quality service delivery.

Firstly, as I alluded to earlier in my speech, kasneb is now ISO 9001:2015 certified by Kenya Bureau of Standards.
Secondly, we shall today also launch an electronic payment service system that is aimed at enabling students and other stakeholders to transact business with kasneb at their comfort using computers or mobile phones. Students and candidates will therefore no longer to visit kasneb Towers for services as these will be available at the tap of a button. This is a huge step forward which fits well with the government policy of automating services and taking services closer to the people.

Thirdly, I understand that with effect from 1 January 2017 some students, examiners and staff are able to access e-learning resources on a pilot basis free of charge. This, I am informed, is part of a long-term strategy to facilitate access to study and reading materials to all the students. It is indeed the right step which will further contribute to research and development, a prerequisite for the growth and development of any country.

Further, there are plans to introduce online examinations in the near future. This will significantly improve access to kasneb qualifications, not only within the country but also regionally and internationally. The service delivery platform will also be revitalised through an Enterprise Resource Planning (ERP) system.

Finally, I recall that in April last year, I presided over the laying of the foundation stone for kasneb Towers II office building. I am happy to learn that the building will be ready for occupation in July 2017.

The foregoing innovations and initiatives are a clear manifestation that the rebranding has come at an opportune time to shape the strategic direction and repositioning of kasneb in the global arena. This will further contribute to prudent and optimal resource utilisation which is one of the objectives that the National Treasury seeks to achieve across the public sector.

More importantly, the implementation of these innovations and initiatives will cement the pillars of the new professional brand that we are about to launch.

In conclusion, I wish to assure kasneb of support by both the government and the National Treasury in the provision of quality services to both Kenyans and non Kenyans. I wish you success in implementing the new professional brand.
It gives me pleasure to welcome you all to the launch of kasneb’s new brand identity. I join me in welcoming our Chief Guest who has been a great supporter of kasneb. Further, we congratulate the Cabinet Secretary for an inclusive progress budget statement that was presented yesterday.

I thank previous kasneb Boards and Staff for their foresight in planning and implementation of four strategic plans.

Through meticulous planning coupled with focused leadership and committed staff, kasneb has over the years, provided graduates who have distinguished themselves not only for their professional and technical competence, but also for their leadership skills and ethical practice.

The graduates have excelled in government, the private sector, the non-governmental sector, professional practice as well as in voluntary work. The fact that the graduates continue to excel wherever they serve is testament to their rigorous training, technical proficiency and professional soundness.

It is also further testimony to the fact that kasneb continues to occupy a unique place in the administration of professional examinations and certification of candidates in its mandated disciplines. However, the success that kasneb has recorded to date has also presented the challenge of continually re-engineering its processes in order to respond to the changing needs of customers and other stakeholders. Therefore, from time-to-time, as circumstances have necessitated, kasneb has had to continuously rejuvenate itself and respond to emerging work place demands.

You may be wondering: if kasneb’s brand has been doing well, why change it? I can state without hesitation that as members of the Board and staff of kasneb, we always have that constant urge for continuous improvement through innovation. This urge drives us to continually re-dedicate ourselves to enhancing the quality of our brand, in anticipation of the dynamic environment and the challenge to stay ahead of the curve.

Further, we work fervently towards closing any gaps between our intentions and our customers’ expectations. As a result, this rebranding, as will be signified in the new logo, colours, design and slogan indicates a shift towards more sustained growth, with better customer chain value.

Hand-in-hand with the rebranding, is the related change in organisational culture. This entails embracing a new set of values, beliefs, norms, ethos and attitudes to underpin the delivery of the new brand promise. In this regard, I am pleased to inform you that all members of staff of kasneb have been part and parcel of the rebranding process. You will experience their passion as you interact with them. They are true brand ambassadors.

Allow me to further mention that kasneb Towers II, the ultra-modern office complex currently under construction is nearing completion. The iconic design, coupled with its aesthetic appeal, powerfully communicates the intended trajectory of rejuvenation and growth that kasneb is embarking on. Once complete, the Tower will greatly ease the pressure for office space currently being experienced, besides providing an additional source of revenue.

It is worthy to note that all the above developments are aligned to our four strategic goals of quality professionals, customer satisfaction, institutional capacity and financial sustainability.

The continued growth and rebranding of kasneb would not have been possible without the support of all of you. I therefore wish to thank all our partners, stakeholders and students who have participated in making the rebranding process a success; the Board of kasneb, the planning committee, the consultants and the members of staff. Their dedication and sacrifice during the entire process underscores their commitment to the principles undergirding this rebranding process.

Last but not least, special thanks to our parent Ministry, the National Treasury for their continued support and guidance.

In conclusion, I wish to observe that today marks a new phase of renewal and commitment by kasneb to deliver superior customer experience now and in the future.
SPEECH BY THE SECRETARY AND CEO

It is with great joy and fulfilment that I welcome you to this historic occasion to witness the transformation of kasneb. With the launch of the new professional brand, e-kasneb system and ISO 9001:2015 Quality Management System certification, kasneb will never be the same again.

Today is the culmination of a journey that started approximately forty eight (48) years ago on Thursday, 24 July 1969 when kasneb was established. You will have appreciated a bit of the journey from the few pictures on the entrance gallery as you walked inside to take your seats in this dome.

The main objective of establishing kasneb was to provide a national framework for developing the urgently needed professional capacity in accountancy, finance, governance and management and related fields to steer the newly independent nation. It is worth noting that the Adu Committee of 1964 which recommended the establishment of kasneb envisaged that the countries within Eastern and Central Africa would follow suit with the ultimate goal of establishing one regional professional examinations body. I believe that this dream is still relevant today, especially within the East African Community.

Allow me to take this early opportunity to thank the founders of kasneb and all those humble servants, including members of the Board, chief executives and staff who have carefully and patiently nurtured and moulded this organisation into what it is today, a globally renown professional examinations body. It is this great reputation that we are gathered here to celebrate today.

I also wish to thank you all for sacrificing your other callings to come and celebrate with us. Special thanks to Mr Henry K. Rotich, EGH, Cabinet Secretary for the National Treasury for gracing the occasion. You all agree with me that he must be quite tired after presenting the Budget Policy Statement for the 2017/2018 financial year only yesterday and, suffering from the tax headache of Sh.2.62 trn budget as reported in the headline of the Business Daily yesterday. We support you, Bwana Cabinet Secretary, because we believe that you share the same objective as kasneb; that is, to Empower the people. The theme of the Budget: Creating jobs,
delivering a better life for Kenyans resonates well with the rebranding of kasneb.

Rebranding is a journey, not a one stage event, allow me to put this into context. The kasneb journey has been undertaken gradually and carefully over time. Indeed, rebranding has been taking place continuously in several respects including policy changes, business development and system and process reviews. This has been undertaken in order to be in sync with the changing dynamics of the present and future which require a different service delivery model. More importantly, the rebranding is a response to the voice of the customer and their changing needs in a dynamic digital landscape.

The brand that we are launching today is therefore a culmination of a series of deliberate, well planned and executed initiatives dating back to the financial year 2008/2009. Some of these initiatives include:

- Expansion of our services in Eastern and Central Africa from 2009.
- Introduction of automated services including point of service system, SMS query service for students, e-payment service for suppliers of goods and services, KEBs TQM software for internal quality audits, SPSS for data analytics and Team mate for internal audit.
- Social media engagement through Facebook, Twitter, Instagram and You Tube.
- Accreditation of training institutions effective from January 2011.
- Construction of kasneb Towers II which will be completed in May 2017.
- Implementation of Corporate Strategic Plans and Performance contracts.
- Introduction of kasneb services at select Huduma Centres in 2016.
- Commencement of procurement of ERP system in 2016.

- Availing of e-learning resources to students, trainers and examiners on pilot basis since the beginning of this year, with planned full rollout in 2018.
- Commencement of an internal culture change programme.

In the process, we engaged Professional Marketing Services (PMS), brand consultants to assist in developing the brand identity, brand strategy, brand manual and communication strategy. We subsequently engaged WebTribe Ltd./Jambopay to develop the e-kasneb electronic payment service and Impact Africa Ltd. to assist in organising today’s event. We owe a big thank you to the three firms.

The new brand boasts of a great heritage, stability and loyalty. Our students and stakeholders have always associated kasneb with quality; quality that is recognised not only nationally but also regionally and internationally. For this reason kasneb has continued to attract students from far and wide.

I wish to conclude my remarks by noting that the brand is indeed symbolic of a new beginning. We have taken bold steps to rise to the changes and challenges of the rapidly evolving environment.

We can therefore confidently promise the following to our customers and stakeholders:

- A kasneb new look brand that is fresh, bold and easily recognisable.
- User friendly service at your convenience.
- Savings on cost, time and energy.
- Superior customer experience.
- Above all, Empowerment.

Having said that, I wish to advise all our students that upon full activation of e-kasneb, payment of examination fees at kasneb Towers will be discontinued. Welcome to the new brand, welcome to e-kasneb and enjoy the fresh experience. BEMPOWERED.
Services available on e-kasneb and how to use it

kasneb has launched an electronic payment service, branded e-kasneb to facilitate students to:

1. Register for kasneb examinations and access syllabuses online.
2. Apply for exemptions.
3. Book for examinations and access examination timetables.
4. Pay for registration renewal fees.
5. Access transaction records.
6. Access e-resources.
7. Access regular updates as appropriate.

Students will also be able to access other services such as application for remarking, deferment, withdrawal from examination and application for refunds in due course.

NOTE:
Students are advised that cash payments at kasneb Towers will be discontinued with effect from 1 July 2017.

New Student/Existing Student
Log on to http://online.kasneb.or.ke/
• Create an account as either new student or Existing Student
• Fill in all personal details and create a password
• E-Wallet Details notification will be sent to your Phone number /Email Address

How to Top Up Your kasneb Wallet

Once registered, you can top up your account in two ways:

Option one: Load your account through Mpesa/Airtel using kasneb Paybill number 832222, your phone number is the account number

Option two: Top up your e-wallet from the following JamboPay Agency Networks:
• JamboPay Agent
• Co-op Bank
• Family Bank
• Stanbic Bank
• Solo Payment Kiosk
kasneb Registration

New Student
• Choose: Create an account - new student
• Sign up and fill in required details
• Create a password
• You will receive a verification email
• Click on the Link to activate your account
• Follow the steps on the screen to Log in

Existing Student
• Choose: Create an account
• Enter Registration Number & Date of Birth Or ID Number
• Sign up and fill in required details
• Create a password
• Click on the Link to activate your account
• Follow the steps on the screen to Log in

Note:
For Existing Students
Once you have signed up to the e-kasneb student’s portal and activated your account, you are supposed to update your profile as identified in the figure below so as to view your details on the portal.
• Upload your passport size photo to your profile.
• Upload you Identification document. For example, your ID, Birth certificate or Passport.
• Update your county of residence.
• Save the changes.

How to Pay via Mobile APP and Web Portal

• Sign up using Email address and password created during registration
• Click on category of choice (e.g. Registration of Examination, Exemption, Examination, Renewal)
• Fill in all details required
• During payment, go to the dropdown menu and choose JamboPay wallet
• Confirm amount and type in your Mobile phone number and password

Note:
• If you are registering for an examination, you will be required to await verification of documents after which you will be advised of your registration number via email and sms.
• ALL exemption Letters will be provisional. The final exemption letter will be issued upon further verification of documents.

How to pay through the Banks

New Student?
• Sign up using Email address and password created during registration
• Select category of choice (e.g. Registration of course, Exemption, Examination, Renewal)
• Fill in all details required
• Download Invoice and walk to any of the Banks Listed below, to make payments:
  • KCB
  • National Bank
  • Barclays Bank
  • Cooperative Bank
  • Equity Bank
  • UBA Bank
  • Post Bank

Note:
For Existing Students
Once you have signed up to the e-kasneb student’s portal and activated your account, you are supposed to update your profile as identified in the figure below so as to view your details on the portal.
• Upload your passport size photo to your profile.
• Upload you Identification document. For example, your ID, Birth certificate or Passport.
• Update your county of residence.
• Save the changes.
**e-kasneb: Frequently Asked Questions (FAQs)**

**Q** How do I register with e-kasneb?
- Click on http://online.kasneb.or.ke and navigate to Sign Up
- If registered, key in your login details.
- If new, create a new account
- Complete the form and sign up; then await confirmation via Email/SMS
- Click on the Activation link sent to your email to activate your account.

**Q** Is it possible to obtain my registration Number via SMS?
Yes you will receive an SMS notification with your registration number once kasneb has approved your payment.

**Q** Can I get a refund for the payment made?
Yes you can, call JamboPay Call centre on 0709920000 and request for a refund. You will receive your reimbursement following approval from kasneb.

**Q** How do I book my exams online?
- Click on http://online.kasneb.or.ke and navigate to Sign Up
- If registered, key in your login details.
- If new, create a new account
- Complete the form and sign up; then await confirmation via Email/SMS
- Click on the Activation link sent to your email to activate your account.

**Q** How do I book for Exemptions online if I am a kasneb Graduate?
- Click on http://online.kasneb.or.ke and login to the Portal
- Choose kasneb Exemptions on the sidebar menu
- Thereafter you will be presented with the eligible papers for exemption.
- After payment of the required fee you will be able to download a provisional exemption letter via Email.

**Q** How do I renew my annual registration?
- Click on http://online.kasneb.or.ke and then choose the Renewal icon on the sidebar
- Thereafter proceed to make payment for renewal of your annual registration
- After the payment, your renewal status will be updated to: Up to Date.

**Q** How can I view my transactions report?
- Click on http://online.kasneb.or.ke and login to the Portal
- Choose the transaction option. It will give you all your transaction history and downloadable receipts.

**Q** What happens if my registration for Examination is rejected due to mismatch of names on supporting documents and Identification Document?
If your registration is rejected due to lack of supporting documents, you will have a second chance to resubmit proper supporting documents when you login. After attaching the supporting documents, your documents will be approved by a kasneb administrator.

**Q** How can I make a Wallet Top up?
- Go to Mpesa/Airtel Paybill Options
- Enter Business No. 832222
- Enter your Phone number as account number
- Enter the Amount
- Enter your M-PESA/Airtel PIN and Send
- You will receive a confirmation via SMS

**Q** What happens if I enter the wrong pay bill during wallet Top up?
Call JamboPay Support on 0709920000 and inform them of the wrong Paybill number used.
e-kasneb: Frequently Asked Questions (FAQs)

Q: What happens if I don’t receive an SMS during account Sign up when using the Mobile Application?

During account signup, an Email notification is also sent with your account details. You can proceed to activate your account using the account activation link sent to your email.

Q: What happens if the session ends when making a Payment?

When you log back into the Portal, you will be able to view your invoice under the invoice icon. You can thereafter proceed to make payment according to the invoice amount.

Q: Can I use my e-mail address to set up multiple accounts?

For account sign up you must use an email address only once as it is tied to only one account.

Q: What happens if I forget my Account Password?

If you forget your password:
- Select the forgot password icon
- A password reset link will be sent to your email.
- Click on the link and follow the steps to reset your password.

Q: What happens if I don’t have an ID number during signup of Existing Students?

If you don’t have an ID you can proceed to create an account without providing your ID. Once you sign up, you will be prompted to update your profile. Once you update your profile the details will have to be verified by a kasneb administrator before you can proceed.

Q: How long does kasneb take to verify the registration details after course registration?

It takes a maximum of 24 hours to have your details verified. You will receive an SMS notification with the verification details.

Q: What happens if my registration for Examination is rejected due to lack of supporting documents?

If your registration is rejected due to lack of supporting documents, you will have a second chance to resubmit proper supporting documents when you login. After reattaching the supporting documents, they will be approved by a kasneb administrator.
SETTING THE MOOD

kasneb New Look
ISO QMS 9001: 2015 AWARD

#KASNEBNewLook
#MyKASNEBStory
GUESTS
PRESS CONFERENCE

VOTE OF THANKS
I. HOW TO CREATE A STUDENT ACCOUNT ON THE kasneb STUDENT PORTAL

All students are required to open a student account on the kasneb website.

To open the account, follow the steps below:

1. Click on the student login link then choose the student icon or proceed to click the student icon if you use the direct link (http://online.kasneb.or.ke) to the student portal.

2. Click on create account and select whether you have a Student Registration Number or not and proceed to provide names, preferred email address and a strong password (which will be used for future access to self information) and click save.

3. Provide the email address and password used when creating the account and click unlock to login in.

4. Select the “Registration Details” tab.

5. Access the “Course Choice” tab.

6. Select the examination from the dropdown box, click on the “Yes” checkbox and provide the registration number without the prefix (for example if your registration number is NAC/68148, provide 68148 as the registration number) and click save.

Benefits

You will be able to:

- Download authority to sit for examination/timetable
- Result summary.

Once the website upgrade is finalised in the near future, you will be able to:

- Edit your contact address
- Check payment status
- Book for examinations.

Students are hereby advised to ensure they have active student accounts given that soon, timetables, result summaries and other individualised communication will only be channelled through the student accounts.

II. CALLING ON kasneb STUDENTS WITH DISABILITIES

We are in the process of enhancing disability mainstreaming at kasneb. This is in an effort to improve our service delivery to our students with disabilities.

In this connection, kasneb wishes to invite any student with a disability to forward the following details to kasneb:

- Full name and National Identification/Passport Number.
- kasneb registration number.
- Current email, telephone number and postal address.
- Nature of disability.

Whether registered with the National Council for Persons with Disability and if so, details of the registration.

Students with disability are encouraged to register with the Council. Further details on the Council are available on the Council’s website www.ncpwd.go.ke
III. **kasneb** STUDENT FEE COLLECTION ACCOUNTS WITH BANKS

Students, trainers, parents/guardians/sponsors, employers and other stakeholders are hereby informed that **kasneb** has opened student fee collection accounts with the following banks:

a) National Bank of Kenya Ltd. (NBK)
   Account Number: **01001031572601**

b) Equity Bank Ltd.
   Account Number: **0170299238025**

c) Kenya Post Office Savings Bank (Postbank)
   Account Number: **0744130009246**

d) Co-operative Bank of Kenya Ltd.
   Account Number: **01129128535900**

The bank accounts are already operational.

**Note: An account with KCB is being operationalised.**

Students are required to complete the appropriate **kasneb** forms and relevant fee deposit slips (except for Postbank which does not use deposit slips). The students will be issued with one copy of the deposit slip and a computer generated slip for their records. However, for Postbank only a computer generated receipt will be issued.

Upon payment of the requisite fees to the bank, a cash deposit receipt will be issued to the payee. The completed **kasneb** forms will be left with the bank for onward transmission to **kasneb** together with one copy of the deposit slip.

**Students are advised that payment of fees at **kasneb** offices will soon be phased out and therefore they should utilise the available channels through the banks.**

**Note:** Students should ensure that all documents requiring certification, such as copies of academic and professional certificates and identity card/passport are certified before being handed over to the bank.

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IV. BANNING OF MOBILE PHONES FROM THE EXAMINATIONS ROOM

All students are hereby informed that mobile phones were banned from the examinations room with effect from the November/December 2014 sitting.

Students are further required to note that disciplinary action will be taken against any student found in possession of a phone in the examination room, regardless of whether the phone was in use or not at the time of its detection.
V. kasneb SERVICES NOW AVAILABLE AT HUDUMA CENTRES

We are pleased to inform our stakeholders that kasneb services are now available at the following Huduma Centres:

<table>
<thead>
<tr>
<th>NAME</th>
<th>HUDUMA CENTRE</th>
<th>kasneb MOBILE NUMBER</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anne K. Wandeto</td>
<td>Kibera, Nairobi</td>
<td>0701698149 0737018536</td>
<td><a href="mailto:awandeto@kasneb.or.ke">awandeto@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Anthony M. Kimani</td>
<td>Nyeri</td>
<td>0701698213 0737256315</td>
<td><a href="mailto:akimani@kasneb.or.ke">akimani@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Caroline M. Makutwa</td>
<td>GPO, Nairobi</td>
<td>0701699013 0737315992</td>
<td><a href="mailto:cmakutwa@kasneb.or.ke">cmakutwa@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Christine M. Ndwiga</td>
<td>Meru</td>
<td>0701699017 0737422739</td>
<td><a href="mailto:cnudwiga@kasneb.or.ke">cnudwiga@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Collins M. Okomo</td>
<td>Kisumu</td>
<td>0701699026 0737492586</td>
<td><a href="mailto:cokomo@kasneb.or.ke">cokomo@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Edith A. Were</td>
<td>Mombasa</td>
<td>0701699078 0737516847</td>
<td><a href="mailto:ewere@kasneb.or.ke">ewere@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Egrah K. Masese</td>
<td>Kisii</td>
<td>0701711465 0737543023</td>
<td><a href="mailto:emasese@kasneb.or.ke">emasese@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Maurice O. Gwayne</td>
<td>Makadara, Nairobi</td>
<td>0701713039 0737618421</td>
<td><a href="mailto:mgwayne@kasneb.or.ke">mgwayne@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Modesta C. Langat</td>
<td>Nakuru</td>
<td>0795431440 0735031908</td>
<td><a href="mailto:mlangat@kasneb.or.ke">mlangat@kasneb.or.ke</a></td>
</tr>
<tr>
<td>Timothy K. Rotich</td>
<td>Eldoret</td>
<td>0701713366 0737831524</td>
<td><a href="mailto:trotich@kasneb.or.ke">trotich@kasneb.or.ke</a></td>
</tr>
</tbody>
</table>

The services offered at the kasneb counters at the Huduma Centres include:

(a) Inquiries
(b) Fee payment at the Huduma Centre using Posta Pay
(c) Student registration
(d) Examination entry
(e) Exemptions
(f) Registration renewal
(g) Request for dispatch of certificates

VI. kasneb CONTACTS

+254 020 4923000
+254 0722201214
+254 0774201214
+254 0780201214
+254 0734600624
+254 0792000638
+254 0792002351

kasneb Towers, Hospital Road, Upper Hill
P.O. Box 41362 - 00100 Nairobi - Kenya
VII. ACICT STEERING COMMITTEE

kasneb has embarked on an initiative to promote the recognition of the CICT and DICT qualifications in both the public and private sectors and their regulation. For this purpose, the ACICT steering committee was elected by CICT finalists and graduates to work closely with kasneb in this initiative.

kasneb working jointly with the steering committee are in the process of exploring modalities for registration of the ACICT which is expected to ultimately grow into an institute.

Listed below are the elected officials of the ACICT steering committee.

- Patrick Ngaruiya: Chairman
- Rose Mwaura: Vice-Chair
- Julio Muriuki: Member
- Patrick Ngaruiya: Organising Secretary
- Nancy Kangangi: Secretary
- Rose Mwaura: Treasurer
- Samuel Kamunya: Vice-Chair
- Ruth Kabuba: Member
- Callo Mocheche: Member
- Nancy Kangangi: Secretary
- Samuel Kamunya: Organising Secretary
- Julio Muriuki: Member
- Patrick Ngaruiya: Chairman
- Rose Mwaura: Vice-Chair
- Julio Muriuki: Member

---

**Master Degree Programmes**
- Master of Business Administration (MBA)
- Master of Arts in Education (MA(EDU))
- Master of Commerce (MComm)
- Master of Arts in Public Administration (MPA)
- Masters of Area Economics
- Master of Arts (Sociology)
- Master of Arts Distance Educations (MADE)
- Master of Computer Applications (MCA)
- Master of Arts (Political Science)
- Master of Tourism and Tourism Management (MTTM)

**Bachelor Degree Programmes**
- Bachelor of Commerce (BCom)
- Bachelor in Social Work (BSW)
- Bachelor of Business Administration (BBA)
- Bachelor of Computer Applications (BCA)

**Diploma Programmes**
- Diploma in Management (DMM)

**Certificate Programmes**
- Certificate in Information Technology (CIT)
- Certificate in Health Care Waste Management (CHCWM)

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Coordinator - IGNOU Programmes, Centre for Open and Distance Education
kasneb Towers, Upper Hill, Hospital Road, Tel: +254-020-2712720, Email: centre.cede@gmail.com Website: www.ignou.ac.in
kasneb New Look

NEW LOOK
SYLLABUSES
MARKETING ACTIVITIES

Kenya Private Schools Association Secondary Schools Expo at Sarit Expo Centre, Nairobi from Thursday, 5 January 2017 to Sunday, 8 January 2017

Career opportunities discussions with teachers and students in Nyandarua South Sub-county from Monday, 23 January 2017 to Friday, 27 January 2017

MARKETING ACTIVITIES

Career opportunities discussions with teachers and students in Soy Sub-county from Monday, 6 March 2017 to Friday, 10 March 2017

Career opportunities discussions with teachers and students in Kesses Sub-county from Monday, 13 March 2017 to Friday, 17 March 2017

Eldoret Trade Fair held from Wednesday, 8 March 2017 to Saturday, 11 March 2017 at the Eldoret Show Ground
DIPLOMA EXAMINATIONS

ACCOUNTING TECHNICIANS DIPLOMA (ATD) EXAMINATION

ATD - LEVEL I
 INTRODUCTION TO FINANCIAL ACCOUNTING
 ATD/4331
 NERIAS MUTHONI GITHAE
 Donor: kasneb

RUNNER UP
 INTRODUCTION TO FINANCIAL ACCOUNTING
 ATD/9218
 LENCER ATIENO ORWA
 Donor: kasneb

COMMERCIAL LAW (COMMON PAPER)
 ATD/269
 JACINTA MUMBE MUASYA
 Donor: kasneb

ENTREPRENEURSHIP AND COMMUNICATION (COMMON PAPER)
 ATD/10243
 WILFRED KIPROP LELMENGIT
 Donor: kasneb

INFORMATION COMMUNICATION TECHNOLOGY (COMMON PAPER)
 ATD/9037
 PURITY MUKAMI NDWIGA
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ATD - LEVEL II
 FINANCIAL ACCOUNTING
 ATD/1687
 MARTIN KAMAU IRUNGU
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PRINCIPLES OF MANAGEMENT (COMMON PAPER)
 ATD/5798
 UMAIMAH SULAYMAN SALEH
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RUNNER UP
 PRINCIPLES OF MANAGEMENT (COMMON PAPER)
 ATD/210
 KIETI RAYMOND MBITHI
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BUSINESS MATHEMATICS AND STATISTICS (COMMON PAPER)
 ATD/2353
 MICHAEL NYAMAWI KARISA
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FUNDAMENTALS OF FINANCE
 ATD/5486
 AUGUSTINE ISAAC OLAHO
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ATD - LEVEL III
 PRINCIPLES OF ECONOMICS
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 ATD/640
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 PRINCIPLES OF PUBLIC FINANCE AND TAXATION (COMMON PAPER)
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 CHRISTINE MBETE MBOLU
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AUDITING
 ATD/2540
 EKISA HUSSEIN SADDAAM
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 AUDITING
 ATD/407
 MWENDE NELLY MALI
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BEST OVERALL IN A LEVEL
ATD LEVEL I
ATD/3046
LINET MWENDE
Donor: kasneb

ATD LEVEL II
ATD/1570
LUCAS MBORO GONA
Donor: kasneb

ATD LEVEL III
ATD/2540
EKISA HUSSEIN SADDAM
Donor: kasneb

DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY (DICT) EXAMINATION
DICT - LEVEL I
INTRODUCTION TO COMPUTING
DIC/333
AHMED ALI GAKURIA
Donor: kasneb

COMPUTER MATHEMATICS
DIC/456
WILFRED KURIA MUNGAI
Donor: kasneb

COMPUTER APPLICATIONS PRACTICAL I
DIC/408
ARNOLD AGINA OKELLO
Donor: kasneb

DICT - LEVEL II
COMPUTER NETWORKING
DIC/6
SAMWEL OTIENO OUMA
Donor: kasneb

INTERNET SKILLS
DIC/6
SAMWEL OTIENO OUMA
Donor: kasneb

COMPUTER SUPPORT AND MAINTENANCE
DIC/6
SAMWEL OTIENO OUMA
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PROGRAMMING CONCEPTS
DIC/79
MULEE SAMUEL KITUKU
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DICT - LEVEL III
PRINCIPLES OF WEB DEVELOPMENT
DIC/55
JOB KANYIRI NJORA
Donor: kasneb

INFORMATION SYSTEMS
PROJECT SKILLS
DIC/55
JOB KANYIRI NJORA
Donor: kasneb

COMPUTER APPLICATIONS
PRACTICAL II
DIC/55
JOB KANYIRI NJORA
Donor: kasneb

BEST OVERALL IN A LEVEL
DICT LEVEL I
DIC/408
ARNOLD AGINA OKELLO
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DICT LEVEL II
DIC/6
SAMWEL OTIENO OUMA
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DIPLOMA IN CREDIT MANAGEMENT (DCM) EXAMINATION
DCM - LEVEL I
FUNDAMENTALS OF CREDIT MANAGEMENT
DCM/65
NAOM BINSARI MAKORI
Donor: kasneb

DCM - LEVEL II
CREDIT MANAGEMENT
DCM/76
STEPHEN WAHIU WACHIRA
Donor: kasneb

LAW GOVERNING CREDIT PRACTICE
DCM/3
FELIX WASONGA ONYANGA
Donor: kasneb

DCM - LEVEL III
MARKETING AND CUSTOMER RELATIONS
DCM/33
MICHAEL NYENDO TELEWA
Donor: kasneb
If you don’t have money management skills yet, using a DEBIT card will ensure you don’t overspend and rack up debt on a CREDIT card.

T. Harv Eker

You cannot just keep borrowing more and more and keep spending more and more without eventually having a day of reckoning.

Wilbur Ross

---

**PROFESSIONAL EXAMINATIONS**

**FOUNDATION OF ACCOUNTING (COMMON PAPER)**
DCM/33
MICHAEL NYENDO TELEWA
Donor: kasneb

**PRACTICE OF CREDIT MANAGEMENT**
DCM/33
MICHAEL NYENDO TELEWA
Donor: kasneb

**BEST OVERALL IN A LEVEL**

**DCM LEVEL I**
DCM/60
CAROLYNE BONARERI KEUKU
Donor: kasneb

**DCM LEVEL II**
DCM/76
STEPHEN WAHIU WACHIRA
Donor: kasneb

**DCM LEVEL III**
DCM/33
MICHAEL NYENDO TELEWA
Donor: kasneb

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**CERTIFIED PUBLIC ACCOUNTANTS (CPA) EXAMINATION**

**CPA PART I – SECTION 1**
COMMERCIAL LAW (COMMON PAPER)
NAC/277186
HAWA OMAR ABDALLA
Donor: KINYORI & ASSOCIATES

**RUNNER UP**
COMMERCIAL LAW (COMMON PAPER)
NAC/273449
JENNIFER WAMBUI NG’ANG’A
Donor: kasneb

**ENTREPRENEURSHIP AND COMMUNICATION (COMMON PAPER)**
NAC/276128
MESHACK OMWOYO MOTURI
Donor: KING’ANG’I KAMAU & COMPANY CERTIFIED PUBLIC ACCOUNTANTS

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**CPA PART I – SECTION 2**
ECONOMICS (COMMON PAPER)
NAC/263397
ABBY ABOKA
Donor: WACHIRA IRUNGU & ASSOCIATES

**MANAGEMENT ACCOUNTING**
NAC/271946
COLLINS KIPKORIR CHERES
Donor: MUGO & COMPANY CERTIFIED PUBLIC ACCOUNTANTS

**PUBLIC FINANCE AND TAXATION (COMMON PAPER)**
NAC/276909
JOY MUTHONI KUIYAKI
Donor: PKF KENYA

**RUNNER UP**
PUBLIC FINANCE AND TAXATION (COMMON PAPER)
NAC/261608
WINNIE ARISI OWINO
Donor: kasneb

**BEST OVERALL IN SECTION (S)**

**SECTION 1 ONLY**
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**SECTION 2 ONLY**
NAC/271946
COLLINS KIPKORIR CHERES
Donor: RSM EASTERN AFRICA

**SECTIONS 1 AND 2 (COMBINED)**
NAC/274418
SAMUEL MWANGI MAINA
Donor: RSM EASTERN AFRICA

**CPA PART II – SECTION 3**
COMPANY LAW (COMMON PAPER)
NAC/264143
PETER MURIITHI WACHIRA
Donor: KPMG
PRIZE WINNERS

FINANCIAL MANAGEMENT
(COMMON PAPER)
NAC/259388
ALLAN CHIBUTSA MBOYA
Donor: KIGO NJENGA & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
(KENYA)

FINANCIAL REPORTING
NAC/259130
BRIAN ROBERT OCHIENG'
Donor: PRICEWATERHOUSE COOPERS
CERTIFIED PUBLIC ACCOUNTANTS

CPA PART II – SECTION 4
AUDITING AND ASSURANCE
NAC/234285
MARY MUTHONI MWANGI
Donor: CARR STANYER GITAU & COMPANY

MANAGEMENT INFORMATION SYSTEMS
(COMMON PAPER)
NAC/234096
JOSEPH MURIMI MURAGE
Donor: DELOITTE & TOUCHE

QUANTITATIVE ANALYSIS
(COMMON PAPER)
NAC/223613
RACHEL NDUTA KIUNA
Donor: MHASIBU SACCIO LIMITED

BEST OVERALL IN SECTION (S)
SECTION 3 ONLY
NAC/265360
JOSEPH MWANGI THUO
Donor: MBAYA & ASSOCIATES

SECTION 4 ONLY
NAC/208276
KEVIN OTIENO NYABANDA
Donor: kasneb

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SECTION 5 ONLY
NAC/242990
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SECTION 6 ONLY
NAC/224763
VERONICAH WAMBUI GAKUO
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SECTIONS 5 AND 6 (COMBINED)
NAC/243105
ANTHONY KASAINE KOSEN
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NAC/225467
NELLY CHELANGAT
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CERTIFIED SECRETARIES (CS)
EXAMINATION
CS PART I – SECTION 1
ORGANISATIONAL BEHAVIOUR
NSC/269875
CALEB OCHIENG APONDO
Donor: PARKER RANDALL
Management is doing things right; leadership is doing the right things.

Peter Drucker
BEST OVERALL IN SECTION (S)
SECTION 1 ONLY
CTP/2793
CYRUS WAINAINA NJUGUNA
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SECTION 2 ONLY
CTP/1363
ANN WANJIRU IRERI
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RUNNER UP
SECTION 2 ONLY
CTP/2193
ERICK KIMINZA MAKAU
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SECTIONS 1 AND 2 (COMBINED)
CTP/2739
DAVID KIMANZI MUSYA
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CICT PART II - SECTION 3
DATABASE SYSTEMS
CTP/2668
BENJAMIN MAINGI MUTHONI
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SYSTEM ANALYSIS AND DESIGN
CTP/2599
SHADRACK MWANGI KARIUKI
Donor: kasneb

STRUCTURED PROGRAMMING
CTP/518
GIBSON KIMINGI KARANJA
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RUNNER UP
STRUCTURED PROGRAMMING
CTP/2201
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CICT PART II - SECTION 4
OBJECT ORIENTED PROGRAMMING
CTP/1831
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WEB DESIGN AND E-COMMERCE
CTP/2586
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RUNNER UP
WEB DESIGN AND E-COMMERCE
CTP/2585
NELLY JEROTICH
Donor: kasneb

DATA COMMUNICATION AND
COMPUTER NETWORKS – PRACTICAL
CTP/2586
RONOH SILVESTER
Donor: kasneb

RUNNER UP
DATA COMMUNICATION AND
COMPUTER NETWORKS – PRACTICAL
CTP/2205
GEOFFREY NYABUGA MAYenga
Donor: kasneb

BEST OVERALL IN SECTION (S)
SECTION 3 ONLY
CTP/2641
ABEL JUMA KEYA
Donor: kasneb

SECTION 4 ONLY
CTP/2586
RONOH SILVESTER
Donor: kasneb

SECTIONS 3 AND 4 (COMBINED)
CTP/2641
ABEL JUMA KEYA
Donor: kasneb

CICT PART III - SECTION 5
SOFTWARE ENGINEERING
CTP/2049
ESTHER WANJIRU WACHIRA
Donor: kasneb

MOBILE APPLICATION DEVELOPMENT
CTP/2117
SHARON CHERUTO TULWO
Donor: kasneb
Information technology and business are becoming inextricably interwoven. I don’t think anybody can meaningfully talk about one without talking about the other.

Bill Gates
When you’re an investor, you can look at the quantitative and qualitative elements of an investment, but there is a third aspect: What you feel in your gut.

Kevin O’Leary
PRIZE WINNERS

CCP PART II – SECTION 4
LAW GOVERNING CREDIT PRACTICE
CCP/2238
CHRISTOPHER MWIRIGI KINOTI
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BEST OVERALL IN SECTION (S)
SECTION 3 ONLY
CCP/2255
WILLIAM MOMANYI KEGICHA
Donor: kasneb

SECTION 4 ONLY
CCP/2255
WILLIAM MOMANYI KEGICHA
Donor: kasneb

SECTIONS 3 AND 4 (COMBINED)
CCP/2255
WILLIAM MOMANYI KEGICHA
Donor: kasneb

CCP PART III – SECTION 5
BANKING LAW AND PRACTICE
CCP/1891
LUCY WAIRIMU RICHU
Donor: kasneb

CCP PART III – SECTION 6
CREDIT MANAGEMENT IN THE FINANCIAL SECTOR
CCP/2124
CAROLINE KOKI KISAULU
Donor: INSTITUTE OF CREDIT MANAGEMENT (ICM)

DEBT RECOVERY
CCP/1749
PETER KUNGU MURIUKI
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CORPORATE LENDING
CCP/1612
RUTH WANGUI NJUGUNA
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RUNNER UP
CORPORATE LENDING
CCP/1612
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CREDIT PRACTICE
CCP/1465
ROSE CHERONO
Donor: kasneb

BEST OVERALL IN SECTION (S)
SECTION 5 ONLY
CCP/1891
LUCY WAIRIMU RICHU
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SECTION 6 ONLY
CCP/2125
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SECTIONS 5 AND 6 (COMBINED)
CCP/1612
RUTH WANGUI NJUGUNA
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BEST LADY GRADUATE
CCP/1612
RUTH WANGUI NJUGUNA
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“No work is insignificant. All labour that uplifts humanity has dignity and importance and should be undertaken with painstaking excellence.”

Martin Luther King

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ACROSS
1. A supply or demand curve which responds to changes in price
5. A dedicated computer for storing data files for other computers in a network
8. A budget variance where actual incomes or expenditures are better than budgeted
9. An economy suffering from a severe slump or downturn
14. A tax levied on special goods whether locally manufactured or imported into the country
15. Auditing concept relating to the significance threshold of incorrect information
17. To illegally modify or access confidential information on another person's computer
19. Type of company whose stock is not traded in a public exchange
21. Business combinations of two companies after which one company ceases to exist
23. Technique of delaying foreign currency payments in order to benefit from future movements in exchange rates
25. In law, an act causing injury or harm to another
26. A connection point or a communication end point in a computer network
27. Amount a seller adds onto the cost price of an item in order to generate profit

DOWN
2. A contract where one party grants another the right to use an asset for a specified period
3. Rate of change of a mathematical function
4. Preferential shares that don’t have a maturity date
6. A self-replicating malicious code capable of damaging a computer's operations
7. Shareholders in a company who do not have a controlling stake
10. Two or more joint owners of an unincorporated business enterprise
11. Using observed trend to estimate values outside the observed range
12. Financial instrument whose price or value depends on the fluctuations of another asset
13. A network topology where each node is connected to every other node
16. The process of classifying accounts receivable by due dates
18. Inventor of the Z-score used to predict company failure
20. Any benefit provided by employer to employee in addition to wages/salary
22. A relationship between two numbers showing how many of one are contained in the other
24. A parent company and its subsidiary/associate/joint venture

The following solution is for the crossword puzzle, also shown below, which appeared in the kasneb Newsline, Issue No. Issue 4 (October - December), 2016
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<table>
<thead>
<tr>
<th>OTHER COURSES OFFERED</th>
<th>MINIMUM REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Technicians Diploma (ATD)</td>
<td>C- and above</td>
</tr>
<tr>
<td>Certified Public Accountants (CPA)</td>
<td>C+ with (C+ Maths &amp; English or kasneb Diploma/Technician qualifications)</td>
</tr>
<tr>
<td>Certified Secretaries (CS)</td>
<td>C+ with (C+ Maths &amp; English or kasneb Diploma/Technician qualifications)</td>
</tr>
<tr>
<td>Certified Investment and Financial Analysts (CIFA)</td>
<td>C+ with (C+ Maths &amp; English or kasneb Diploma/Technician qualifications)</td>
</tr>
<tr>
<td>Associate in Procurement and Supply of Kenya (APS-K, KISM)</td>
<td>C- and above</td>
</tr>
<tr>
<td>Associate in Procurement and Supply Professional of Kenya (CPSP-K, KISM)</td>
<td>C+ with (C+ Maths &amp; English or APS-K)</td>
</tr>
<tr>
<td>Computer Courses</td>
<td>English Knowledge</td>
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