



**INSTITUTION OF
SURVEYORS OF KENYA**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

INSTITUTION INFORMATION

COUNCIL MEMBERS

Eric Nyadimo	President
Nelly K. Mbugua	Deputy President
Dr. Collins Mwangi	Chair, Finance and Audit Committee
Joycelyn Makena	Chair, Professional Practice and Ethics Committee
Ayub Naburi	Chair, Education and Research Committee
Anthony Maina	Chair, Editorial and Public Relations Committee
Priscilla Nyaga	Chair, Human Resource Committee
Frida Ngure	Chair, Young Surveyors
Edgar Selebwa	Chair, Engineering Surveyors Chapter
Caroline Wachiuri	Secretary, Engineering Surveyors Chapter
Solomon Gitau	Chair, Geospatial Information Management Chapter
Simon Peter Ochieng	Secretary, Geospatial Information Management Chapter
Nicholas Mbugua	Chair, Valuation Chapter
Patrick Munene	Secretary, Valuation Chapter
Livingstone Asala	Chair, Land Surveyors Chapter
Eric Mithamo	Secretary, Land Surveyors Chapter
Stephen Matete	Chair, Building Surveyors Chapter
Evans Mutinda	Secretary, Building Surveyors Chapter
Janet Orego	Chair, Land Administration Management Chapter
Elizabeth Nelima	Secretary, Land Administration Management Chapter
Esther Mwangi	Chair, Estate Agency Chapter
Moses Muturi Wanjohi	Secretary, Estate Agency Chapter
Joel Simiyu	Chair, Property Management Chapter
Nancy Siror	Secretary, Property Management Chapter
Blaise Musau	Chair, Coast Branch
Dennis Malembeka	Secretary, Coast Branch
Nicholas Ongwae	Chair, Western Kenya
Jamlax Barasa	Secretary, Western Kenya
Joseph Mutua	Chair, South Rift Branch
Leonard Wamalwa	Secretary, South Rift Branch
Augustine Munialo	Acting Chief Executive Officer & Secretary to the Council - Exited in Feb 2025
Peter Biwott	Chief Executive Officer & Secretary to the Council - Joined March 2025

REGISTERED OFFICE

Reinsurance Plaza, 10th Floor
P.O. Box 40707-00100
Nairobi, Kenya

INDEPENDENT AUDITOR

Ronalds LLP
Certified Public Accountants (K)
136 Manyani East Road, Off-Waiyaki Way
P.O. Box 41331-00100
Nairobi, Kenya

PRINCIPAL BANKERS

ABSA Bank Kenya PLC
Queensway House
P.O. Box 30120-00100
Nairobi, Kenya

Kingdom Bank
Ngong Road
P.O. Box 22741-00400
Nairobi, Kenya

KCB Bank
Kencom House, Moi Avenue
P.O. Box 48400-00100
Nairobi, Kenya

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

REPORT OF THE COUNCIL

The Council submits its report together with the audited financial statements for the year ended 31 December 2025, which disclose the state and affairs of the Institution.

Principal activities

The principal activity of the Institution is to promote and advance the acquisition of knowledge for the surveyors' profession in Kenya and to promote the general interest of its members.

Formation

The Institution is domiciled in Kenya where it is formed as an Institution under the Kenyan Societies Act, Cap 108. The address of the registered office is set out on page 1.

Results

The Institution recorded a surplus for the year of Kshs 7,753,159 (2024: Kshs 10,168,722). The results for the year ended 31 December 2025 are shown on page 7.

Council Members

The members of the Council who held office during the year and to the date of this report are set out on page 1.

Independent Auditor

The auditor, Ronalds LLP, has expressed its willingness to continue in office in accordance with the provisions of the Institution's Constitution.

BY ORDER OF THE COUNCIL


.....
President


.....
Date

**INSTITUTION OF SURVEYORS OF KENYA
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STATEMENT OF COUNCIL'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS


The Kenyan Societies Act, Cap 108 requires the Council to prepare financial statements which give a true and fair view of the state of affairs of the Institution as at the end of each financial year and of the operating results of the Institution for that year. It also requires the Council to ensure that the Institution keeps proper accounting records, which disclose with reasonable accuracy the financial position of the Institution. They are also responsible for safeguarding the assets of the Institution.

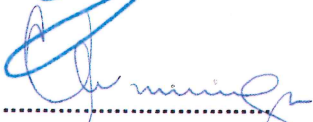
The Council accepts responsibility for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and in the manner required by the Societies Act, Cap 108. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Institution and of its operating results as at 31 December 2025. The Council further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Council to indicate that the Institution will not remain a going concern for at least the next twelve months from the date of this statement.

The financial statements were approved by the Council on^{7th May}.....2026 and signed on its behalf by:


.....
President, Institution of Surveyors of Kenya


.....
Chair, Finance and Audit Committee, Institution of Surveyors of Kenya

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE INSTITUTION OF SURVEYORS OF KENYA ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Report on the Financial Statements

Opinion

We have audited the financial statements of the Institution of Surveyors of Kenya which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss, statement of changes in fund balances and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 18.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institution of Surveyors of Kenya as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Societies Act, Cap 108.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institution in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Kenya.

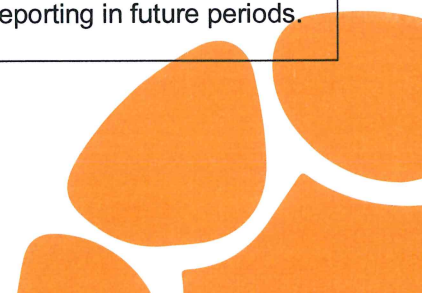
We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following matters were identified as key audit matters:

Correction of Accounts Receivables	How our audit addressed the matter
<p>The Institution's accounts receivable balances in the Xero accounting system were inconsistent with data from the Members Management System, resulting in a prior year adjustment of Kshs. 3,182,725. This arose due to the absence of prior reconciliations, compounded by system synchronization issues. These discrepancies impacted revenue recognition and receivables balances, requiring manual adjustments to align figures with Members Management System data. The financial impact of these adjustments is disclosed in Note 9, which affects the statement of changes in fund balances.</p>	<p>Our procedures included performing opening balance analysis, verifying the reconciliation process between Member system and Xero, testing the adjustments made to the prior year balances, and ensuring that revenue was correctly recognized in accordance with the system's data and active members.</p> <p>We also evaluated the adequacy of the related disclosures in Note 9 to ensure transparency regarding the prior year adjustment. Given the systemic nature of the issue, management was advised to strengthen reconciliation practices and resolve integration challenges to ensure accurate financial reporting in future periods.</p>
<p>Why it is a Key Audit Matter</p> <p>The adjustment was quantitatively material to the Institution, as it accounts for a significant portion of total receivables. The lack of reconciliation over prior periods in the accounting system introduced complexity and audit risk.</p>	



Report of the Independent Auditor – Continued

Other Information

The Council is responsible for the other information. The other information comprises Institution information, report of the Council and statement of Council's responsibilities for the financial statements that form part of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Societies Act, Cap 108. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, they are responsible for assessing the Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Institution or to cease operations, or have no realistic alternative but to do so.

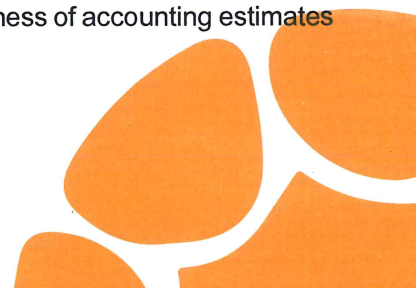
Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

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Report of the Independent Auditor – Continued**Responsibilities for the Audit of the Financial Statements - Continued**

- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act, Cap 108, we report that the financial statements are in agreement with the books of account kept by the Institution and that, based on our audit:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper accounting records have been kept by the Institution, so far as appears from our examination of those books.
- c) The Institution's statement of financial position is in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent auditor's report is **CPA Evelyn Kanjagua, Practising Certificate No. 2944.**



For and on behalf of Ronalds LLP
Certified Public Accountants
Nairobi, Kenya
Date: 08/05/2026



UNIQUE CODE: 38402260508



**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

STATEMENT OF INCOME AND EXPENDITURE

	NOTES	2025 Kshs	2024 Kshs
Revenue			
	3	86,986,961	72,769,291
Total revenue		<u>86,986,961</u>	<u>72,769,291</u>
Expenses			
Administrative expenses	4(a)	(32,438,472)	(25,906,797)
Operational expenses	4(b)	(45,993,639)	(35,881,422)
Financial cost	4(c)	(166,507)	(99,634)
Total expenditure		<u>(78,598,618)</u>	<u>(61,887,853)</u>
Surplus for the year before taxation		<u>8,388,343</u>	<u>10,881,438</u>
Tax expense	(Appendix i)	(635,184)	(712,716)
Surplus for the year after taxation		<u>7,753,159</u>	<u>10,168,722</u>

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2025**

STATEMENT OF FINANCIAL POSITION

ASSETS	NOTES	2025 Kshs	2024 Kshs
NON-CURRENT ASSETS			
Property and equipment	12	2,277,350	1,507,948
		<u>2,277,350</u>	<u>1,507,948</u>
CURRENT ASSETS			
Cash and cash equivalents	5	3,488,649	2,843,740
Investments	6	20,007,016	18,199,465
Trade and other receivables	7	43,303,921	29,120,543
		<u>66,799,586</u>	<u>50,163,748</u>
TOTAL ASSETS		<u>69,076,936</u>	<u>51,671,696</u>
FINANCED BY:			
EQUITY			
Accumulated fund (Page 9)		39,786,972	29,399,171
		<u>39,786,972</u>	<u>29,399,171</u>
CURRENT LIABILITIES			
Trade and other payables	8	29,289,964	22,272,525
		<u>29,289,964</u>	<u>22,272,525</u>
TOTAL LIABILITIES AND EQUITY		<u>69,076,936</u>	<u>51,671,696</u>

The financial statements on pages 7 to 18 were approved for issue by the Institution of Surveyors of Kenya Council Members on 7/10/ 2026 and were signed on its behalf by:

.....
President, Institution of Surveyors of Kenya

.....
Chair, Finance and Audit Committee, Institution of Surveyors Kenya

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

STATEMENT OF CHANGES IN FUND BALANCES

	ACCUMULATED FUNDS Kshs	TOTAL Kshs
At 1 January 2024	29,893,941	29,893,941
Surplus for the year	10,168,722	10,168,722
Prior year adjustment (Note 9)	(10,663,492)	(10,663,492)
As at 31 December 2024	<u>29,399,171</u>	<u>29,399,171</u>
At 1 January 2025	29,399,171	29,399,171
Surplus for the year	7,753,159	7,753,159
Prior year adjustment (Note 9)	2,634,642	2,634,642
As at 31 December 2025	<u>39,786,972</u>	<u>39,786,972</u>

**INSTITUTION OF SURVEYORS OF KENYA
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STATEMENT OF CASH FLOWS

	2025	2024
	Kshs	Kshs
Cash flows from operating activities		
Surplus from operations	7,753,159	10,168,722
Prior year adjustment	2,634,642	(10,663,492)
Adjustment for depreciation on assets	631,214	292,883
	11,019,015	(201,887)
Changes in working capital		
(Increase) in accounts and other receivables	(14,183,378)	(210,836)
(Decrease)/ Increase in accounts and other payables	7,017,439	(1,616,228)
	3,853,075	(2,028,951)
Investing activities		
Purchase of property plant and equipment	(1,400,615)	(634,375)
Movement in investments	(1,807,552)	1,195,561
	(3,208,167)	561,186
Movement in cash and cash equivalents		
Cash and cash equivalents at the start of the year	2,843,740	4,311,505
Movements in cash and cash equivalents	644,909	(1,467,765)
Cash and cash equivalents at the end of the year	3,488,649	2,843,740

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

ACCOUNTING POLICIES

1 General Information

The financial statements have been prepared to reflect the financial position of the Institution in line with the requirements of the Kenyan Societies Act, Cap 108.

2 Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) by the International Accounting Standards Board. They are presented in Kenya Shillings (Kshs), rounded to the nearest shilling. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

a) Revenue recognition

Revenue represents the fair value of consideration received or receivable for member subscriptions and other services. Revenue is recognised on an accrual basis on subscriptions receivable from active members.

b) Recognition of expenditure

Expenditure is recognised in the year to which it relates and is accounted for on an accrual basis.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and balances held with banking institutions. Money market fund investments are classified separately as Investments on the Statement of Financial Position.

d) Receivables

Receivables are carried at the amounts due at year end, net of impairment provisions. Provisions for doubtful debts are made where the member has been deregistered or where collection is no longer reasonably assured.

e) Payables

Liabilities for accounts and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether billed or not. Financial liabilities are initially recognised at the transaction price, i.e. the agreed service and other transaction charges.

f) Provision for liabilities and charges

Provisions are recognised when the Institution has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

ACCOUNTING POLICIES (CONTINUED)

g) Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest-bearing liabilities are subsequently measured at amortised cost using the effective interest method.

h) Property and equipment

Property and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

Any valuation increase arising on the valuation of such property and equipment is credited to the other comprehensive income and accumulated in the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in income and expenditure, in which case the decrease is credited to the income and expenditure to the extent of the decrease previously expensed. A decrease in the carrying amount arising in the revaluation of such property and equipment is recognized in income and expenditure to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Any accumulated depreciation at the date of valuation is eliminated against the carrying amount of the asset. Depreciation is calculated to write off the cost or valuation of each asset on reducing balance basis. The annual rate used for the are:-

Per annum	Rate %
Photocopiers and computers	30.0
Office Partitioning	12.5
Furniture, fitting & equipment	11.0

i) Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the accounting policies, management has made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered relevant.

j) Retirement benefit obligations

The Institution and employees contribute to the National Social Security Fund, a national defined contribution scheme. Contributions are determined by local statute and the Institution's contributions are charged to the statement of income and expenditure in the year to which they relate.

In addition, the Institution operates a private pension scheme for its staff under ICEA. Contributions to this scheme are expensed in the period to which they relate.

**INSTITUTION OF SURVEYORS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

ACCOUNTING POLICIES (CONTINUED)

(k) Financial management objectives and policies

The Institution's activities expose it to a variety of financial risks including credit, liquidity and market risks. The Institution's overall risk management policies are set out by the Council and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimize the potential adverse effects of such risks on the Institution's performance by setting acceptable levels of risk. The Institution does not hedge against any risks. The following are the risks:

i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from financial assets, and is managed on an Institution-wide basis. The Institution does not grade the credit quality of financial assets that are neither past due nor impaired.

Credit risk on financial assets with banking institutions is managed by dealing with institutions with good credit ratings and placing limits on deposits that can be held with each institution.

Credit risk on accounts receivables is managed by ensuring that credit is extended to customers with an established credit history. The credit history is determined by taking into account the financial position, past experience and other relevant factors. Credit is managed by setting a credit limit and credit period for each customer.

The maximum exposure of the Institution to credit risk as at the balance sheet date is as follows:

	Fully performing 1 year Kshs	Past due but not impaired 2 years Kshs	Impaired 3 year Kshs	Total Kshs
31/12/2025				
Financial assets				
Cash and cash equivalents	3,488,649	-	-	3,488,649
Investments	20,007,016	-	-	20,007,016
Trade and other receivables	36,480,248	2,177,394	4,646,279	43,303,921
Maximum exposure to credit risk	<u>59,975,913</u>	<u>2,177,394</u>	<u>4,646,279</u>	<u>66,799,585</u>
31/12/2024				
Financial assets				
Cash and cash equivalents	2,843,740	-	-	2,843,740
Investments	18,199,465	-	-	18,199,465
Trade and other receivables	24,195,162	2,704,490	2,220,891	29,120,543
Maximum exposure to credit risk	<u>45,238,367</u>	<u>2,704,490</u>	<u>2,220,891</u>	<u>50,163,748</u>

ii) Liquidity risk

Liquidity risk is the risk that the Institution will encounter difficulty in meeting obligations associated with financial liabilities. The board has developed a risk management framework for the management of the Institution's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The Institution manages liquidity risk by continuously reviewing forecasts and actual cash flows, and maintaining banking facilities to cover any shortfalls.

The following table summarizes the maturity analysis for financial liabilities to their remaining contractual maturities.

**INSTITUTION OF SURVEYORS OF KENYA
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ACCOUNTING POLICIES (CONTINUED)

	Between 1-3 months Kshs	Between 3-12 months Kshs	Over 1 year Kshs	Total Kshs
31/12/2025				
Account payable	10,091,428	663,157	-	10,754,585
Benevolent fund	-	-	835,542	835,542
Prepaid subscription	2,418,886	-	-	2,418,886
Examination honoraria	1,138,870	-	-	1,138,870
ISK property contribution	-	-	7,428,985	7,428,985
Sacco contribution	-	-	977,500	977,500
Tax payable	408,597	-	2,037,334	2,445,931
Audit fee payable	150,000	-	-	150,000
Unidentified deposits	3,139,666	-	-	3,139,666
	<u>17,347,446</u>	<u>663,157</u>	<u>11,279,361</u>	<u>29,289,965</u>
31/12/2024				
Accounts payable	4,238,715	722,290	819,259	5,780,264
Benevolent fund	-	-	643,575	643,575
Prepaid subscriptions	2,300,370	-	-	2,300,370
Examination honoraria	1,125,050	-	-	1,125,050
ISK property contribution	-	-	7,021,585	7,021,585
Sacco contribution	-	-	977,500	977,500
Tax payable	2,037,334	-	-	2,037,334
Audit fee payable	150,000	-	-	150,000
Unidentified deposits	2,236,848	-	-	2,236,848
	<u>12,088,317</u>	<u>722,290</u>	<u>9,461,919</u>	<u>22,272,525</u>

iii) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises interest rate risk.

Interest rate risk

The Institution's exposure to interest rate risk arises from financial assets. Management consider that a change in interest rates of 1 percentage points in the year ending 31st December 2025 is reasonably possible.

b) Capital management

The Institution's objectives when managing capital are.

- To provide an adequate return to members by pricing services commensurate with the level of risk;
- To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for members and benefits for other stakeholders.

The Institution sets the amount of capital funds in proportion to risk. The Institution manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

**INSTITUTION OF SURVEYORS OF KENYA
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NOTES TO THE FINANCIAL STATEMENTS

	2025	2024
	Kshs	Kshs
3 Revenue		
Member subscription	23,128,183	25,506,600
Members entrance fee	2,648,626	2,252,200
Members penalties income	673,625	2,384,225
Regional conference	22,039,238	9,844,200
Regional tours	-	3,070,000
Annual dinner	4,666,483	2,752,500
End of the year gala dinner	1,447,075	1,357,625
Examination fee	3,848,700	4,348,000
Members forum and service week	100,000	25,000
Merchandise sale	628,775	245,013
Pre-AGM conference	16,942,927	11,210,000
Publications income	123,500	188,000
Seminars and training	7,908,550	5,869,525
Term deposit interest	2,117,279	2,375,719
African Real Estate Society (AFRES) conference income	-	522,684
Curriculum review program	700,000	700,000
Tender application fee income	14,000	118,000
	<u>86,986,961</u>	<u>72,769,291</u>
4(a) Administrative expenses		
Advertisement and promotion	245,395	77,894
Audit fee	150,000	150,000
Member Management System	437,450	400,800
Digital communication platform	433,947	327,994
Internet expense	496,509	451,373
Meeting expenses	3,917,984	3,258,275
Merchandise expense	1,116,888	126,870
Office expenses	524,670	245,988
Postage and printing and stationery	381,873	457,696
Provision for doubtful debt	2,425,388	720,891
Publication expense	338,960	302,095
Repair and maintenance	71,860	342,880
Sponsorship to affiliates bodies	155,840	128,000
Staff and official travel expense	321,097	194,308
International conferences & Travel	2,652,532	1,063,081
Regional tours expenses	-	2,859,490
Subscriptions affiliates	483,015	750,012
Telephone expenses	474,037	462,999
Website design and Branding	450,700	-
	<u>15,078,144</u>	<u>12,320,646</u>

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NOTES TO THE FINANCIAL STATEMENTS

	2025	2024
	Kshs	Kshs
4(a) Administrative expense (Continued)		
Balance b/f	15,078,144	12,320,646
Salaries and wages	14,409,788	10,286,893
Medical cover	1,669,032	1,671,991
Legal fees	680,650	324,800
Strategic planning consultancy	20,000	432,730
Staff planning retreat	-	535,070
Gifts and donations	205,000	145,000
International surveyors clinic	375,858	189,667
	32,438,472	25,906,797
4(b) Operational expense		
Regional conferences	13,479,234	7,972,385
Pre - AGM conference expenses	9,822,109	7,018,350
AGM expenses	6,666,721	7,461,780
Annual dinner	4,014,685	2,484,770
End year gala dinner	574,880	623,822
Assets insurance expenses	-	30,187
Depreciation	631,214	292,883
Examination expenses	3,192,536	2,152,169
Membership forum	686,958	288,156
Rent and service charge	3,298,527	3,106,523
Seminars and training	3,408,422	3,347,593
African Real Estate Society (AFRES) expenses	218,353	1,102,804
	45,993,639	35,881,422
4(c) Finance cost		
Bank and M-pesa charges	166,507	99,634
	166,507	99,634

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NOTES TO THE FINANCIAL STATEMENTS

	2025	2024
	Kshs	Kshs
5 Cash and cash equivalents		
ABSA - Main Account: 0948211246	499,270	412,312
ABSA - Property Fund: 2039128031	455,360	122,280
ABSA - Project Three: 202567721	91,792	8,996
ABSA - Project Two: 2022840102	-	16,915
ABSA - Project Account (SIDA): 0948947668	-	16,331
ABSA - Benevolent Fund: 0948393204	835,542	806,869
Co-operative Bank - 01100309157800	168,942	130,000
Kingdom Bank Ltd: 1151929567002	125,187	297,381
Mpesa Paybill	1,246,106	1,032,656
KCB - 1344946534	66,450	-
	<u>3,488,649</u>	<u>2,843,740</u>
6 Investments		
Britam money market	9,616,298	8,605,628
CIC Unit trust - Money market	10,390,718	9,593,837
	<u>20,007,016</u>	<u>18,199,465</u>
7 Trade and other receivables		
a) Members subscriptions Receivables		
Subscriptions receivable	21,430,977	17,759,863
Less: Provision for the year	<u>(4,646,279)</u>	<u>(2,220,891)</u>
Net Members subscriptions receivables	<u>16,784,698</u>	<u>15,538,972</u>
Other Receivables		
AGM receivables	6,811,138	5,353,575
Examination fees receivables	758,944	542,657
Regional conference receivables	15,785,367	6,490,450
Seminars and training receivables	739,295	567,296
Annual Dinner and Gala receivables	1,813,606	83,770
Rent deposit	610,873	543,823
Total receivables	<u>43,303,921</u>	<u>29,120,543</u>
8 Trade and other payables		
Accounts payable	10,754,585	5,780,264
Benevolent fund	835,542	643,575
Prepaid subscriptions	2,418,886	2,300,370
Examination honoraria	1,138,870	1,125,050
ISK property contribution	7,428,985	7,021,585
Tax payable	2,445,931	2,037,334
Sacco contribution	977,500	977,500
Audit fee payable	150,000	150,000
Unidentified deposits	3,139,666	2,236,848
	<u>29,289,964</u>	<u>22,272,525</u>
9 Prior year adjustment		
Prior year adjustment of relates to;		
Benevolent fund - Correction of balances	(191,967)	-
ISK property contribution - Correction of balances	(407,400)	-
Accounts payable - Correction of balances	-	(32,260)
Audit fee payable - Correction of balances	-	(149,640)
Accounts receivable - Correction of balances	3,182,725	9,948,421
Provision for doubtful debts 2023 - adjustment	-	1,500,000
Cash and cash equivalents - ABSA opening balance correction	12,342	(111,925)
Cash and cash equivalents - Cooperative opening balance correction	38,942	-
Cash and cash equivalents - Pay bill opening balance correction	-	(491,104)
	<u>2,634,642</u>	<u>10,663,492</u>

**INSTITUTION OF SURVEYORS OF KENYA
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NOTES TO THE FINANCIAL STATEMENTS

10 Registration

The institution is registered under Kenyan Societies Act, Cap 108 and has no share capital.

11 Reporting currency

The financial statements are presented in Kenya shillings (Kshs).

12 PROPERTY, PLANT AND EQUIPMENT

	Photocopiers and computers	Office Partitioning	Furniture, fitting & equipment	Totals
Rate	30%	12.5%	11.0%	
Cost (2024)				
As at 1st January 2024	2,426,803	1,301,383	2,272,970	6,001,156
Additions	459,760	-	174,615	634,375
Disposals	(193,000)	-	(60,500)	(253,500)
As at 31 December 2024	2,693,563	1,301,383	2,387,085	6,382,031
Depreciation				
As at 1st January 2024	2,068,856	1,035,925	1,729,919	4,834,700
Charge for the year	187,412	33,182	72,288	292,883
Eliminated on disposal	(193,000)	-	(60,500)	(253,500)
As at 31 December 2024	2,063,268	1,069,107	1,741,707	4,874,083
Net Book Value				
As at 31 December 2024	630,295	232,276	645,378	1,507,948
Cost (2025)				
As at 1st January 2025	2,693,563	1,301,383	2,387,085	6,382,031
Additions	979,780	124,950	295,885	1,400,615
As at 31 December 2025	3,673,343	1,426,333	2,682,970	7,782,646
Depreciation				
As at 1st January 2025	2,063,268	1,069,107	1,741,707	4,874,082
Charge for the year	483,022	44,653	103,539	631,214
As at 31 December 2025	2,546,290	1,113,760	1,845,246	5,505,296
Net Book Value				
As at 31 December 2025	1,127,053	312,573	837,724	2,277,350

**INSTITUTION OF SURVEYORS OF KENYA
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SUBJECT: TAX COMPUTATION

1. Tax computation

Details	Business Income Kshs	Interest Income Kshs	Total Kshs
Profit as per the accounts	6,271,065	2,117,279	8,388,343
Add:			
Depreciation	631,214	-	631,214
Exempt expenses	77,967,404	-	77,967,404
	84,869,682	2,117,279	86,986,961
Less:			
Wear & tear Allowance	(528,829)	-	(528,829)
Members contribution and Donations	(84,869,681)	-	(84,869,681)
Adjusted Profit/(Loss)	(528,828)	2,117,279	1,588,451
Less: Losses brought forward	(302,739)	-	-
Taxable Profit (Loss c/f)	(831,567)	2,117,279	1,588,451

2. Tax Account

Tax Provision for the year @ 30%	-	635,184	635,184
Less:			
Withholding tax certificates	-	(226,587)	(226,587)
Tax Payable	-	408,597	408,597

3. Wear And Tear Schedule

	Photocopiers and computers 25% Kshs	Office Partitioning 10% Kshs	Furniture, fitting & equipment 10% Kshs	Totals Kshs
W.D.V as at 01.1.2025	613,280	238,912	645,899	1,498,091
Additions	979,780	124,950	295,885	1,400,615
	1,593,060	363,862	941,784	2,898,706
Wear & Tear Allowance	(398,265)	(36,386)	(94,178)	(528,829)
W.D.V as at 31.12.2025	1,194,795	327,476	847,606	2,369,877

(Appendix i)