

REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY


OF

THE AUDITOR-GENERAL

ON

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 DEC 2025	DAY: Wednesday
TABLED BY:	Hon. Nason Wago MP
CLERK-AT-THE-TABLE:	Getrude Chebet

OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
RECORDS OFFICE
13 NOV 2025
RECEIVED



REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD (RCPSB)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

**Prepared in accordance with the Accrual Basis of Accounting Method under the International
Public Sector Accounting Standards (IPSAS)**

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

Table of Contents.....	Page
1. Acronyms, Abbreviations and Glossary of Terms.....	iii
2. Key Entity Information and Management	iv
3. The Board of Directors/Council	vii
4. Key Management Team.....	xi
5. Chairman’s Statement.....	xii
6. Report of the Chief Executive Officer.....	xiv
7. Statement of Performance against Predetermined Objectives for FY 2024/2025	xvii
8. Corporate Governance Statement	xxv
9. Management Discussion and Analysis	xxix
10. Environmental and Sustainability Reporting.....	xxxii
11. Report of the Directors	xxxiii
12. Statement of Directors Responsibilities.....	xxxiv
13. Report of the Independent Auditor for the Financial Statements of (<i>Specify Entity Name</i>).....	xxxvi
14. Statement of Financial Performance for the year ended 30 June 2025.....	1
15. Statement of Financial Position as at 30 June 2025.....	2
16. Statement of Changes in Net Assets for the year ended 30 June 2025	3
17. Statement of Cash Flows for the year ended 30 June 2025	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025.....	5
19. Notes to the Financial Statements.....	7
20. Appendices	33

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

1. Acronyms and definitions of Key of Terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
ICPSK/ICS	Institute of Certified Public Secretaries of Kenya
IPSAS	International Public Sector Accounting Standards
Kasneb	Kenya Accountants and Secretaries National Examinations Board
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
RCPSB	Registration of Certified Public Secretaries Board
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

B: Definitions of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Registration of Certified Public Secretaries Board (RCPSB) is established under the Certified Public Secretaries of Kenya Act Cap 534 of the laws of Kenya. The Board has 10 members who are in charge of developing policies and strategies in order to achieve the mandate of the Board. The day-to-day operations of the RCPSB are under the responsibility of a Chief Executive Officer appointed by the Board.

(b) Principal Activities

The principal activity of the RCPSB is to register qualified Secretaries and issue practicing certificates to those registered Secretaries who are eligible to offer services to the public as Certified Public Secretaries of Kenya. The other mandate of the RCPSB is a regulatory role which is to de-register members out of their professional misconduct or any other reason as stipulated in the Certified Public Secretaries Act Cap 534, Section 24.

(c) Key Management

The RCPSB's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Board of Directors/ Council/ Management etc;	1. Happi Kilongosi 2. Peter Kitonyo 3. Joyce Afanda 4. Kiarie Njuguna 5. Margaret Odinyo 6. Jeremiah Karanja 7. Isaac Gathirwa 8. Elijah O. Nyamamba 9. Nevis Ombasa 10. Nancy Gathuku 11. Patrick Mulwa

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

No.	Designation	Name
1.	Accounting officer/ CEO	Patrick Mulwa
2.	Senior Accountant	Patrick Tanui

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEO	Patrick Mulwa
2.	Head of Corporate Services	-
3.	Head of Finance	Patrick Tanui
4.	Head of Procurement	-

(e) Fiduciary Oversight Arrangements

- **The Board:** Sets policy and is charged with the overall supervision of the RCPSB's activities.
- **Governance and Finance Committee:** in Charge of Finance, Human Resources and Governance Issues and reports to the Board.
- **Registration, Strategy and Professional Development Committee:** in charge of Registration, Issue of Practicing Certificates, strategy formulation, implementation and reports to the Board
- **Audit and Risk Committee:** review in conjunction with the management the RCPSB's internal and disclosure controls and procedures over financial reporting, including whether there are deficiencies, material weaknesses, potential fraud opportunities, or any other corrective actions to be taken with regard to controls and procedures. The Committee is also in charge of report on legal and regulatory compliance.
- **The Registrar:** An Ex-officio member of the Board appointed by the Cabinet Secretary, The National Treasury.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

(f) RCPSB Headquarters

P.O. Box 58218 -00200
KASNEB Towers II,
Hospital Road, Upper Hill, Nairobi, KENYA

(g) RCPSB Contacts

Telephone: 0706 376 624
E-mail: regcpsb@gmail.com
Website: www.rcpsb.or.ke

(h) RCPSB Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. National Bank of Kenya Limited
Harambee Avenue Branch,
P. O. Box 41862 - 00100,
Nairobi.

(i) Independent Auditors




Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(j) Principal Legal Adviser




The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025




3. The Board of Directors/Council

II BOARD OF DIRECTORS	PROFESSIONAL EXPERIENCE
 <p>CS. Happi C. Kilongosi (Chairman) D.O.B: 1974 Bachelor of Laws (University of Nairobi) Diploma in Business Management (KIM) Diploma in Secretarial Studies (Kenya Polytechnic) Certified Public Secretary (kasneb) Member Institute of Certified Public Secretaries of Kenya</p>	<p>Relationship Manager- External Business and Trust Fund (CPF Financial Services Limited (Current), Assistant Benefits and Risks Administrator (CPF Financial Services Limited), Personal Assistant to the University Legal Officer) (University of Nairobi)</p> <p>She is an independent Director</p>
 <p>Dr. Peter Kitonyo (Vice Chairman) D.O.B 17/08/1971 Phd (Economics, UON MBA (Finance), Bronte International University, USA MA (Economics), University of Manchester, UK, BA (Economics), University of Nairobi, Kenya, Fellow Institute of Certified Public Secretaries of Kenya, Full Member of Institute of Directors (IoD) of Kenya, Full Member of Institute of Certified Public Accountants of Kenya (ICPAK), Full Member of the Institute of Human Resources Management (IHRM), Full Member of the Kenya Institute of Management (KIM)</p>	<p>Deputy Director Resolution, Kenya Deposit Insurance Corporation, Head of Monetary Policy Communications Central Bank of Kenya, Finance and Administrative Manager, LANTech Africa Limited, Finance and Administrative Manager, Amani Housing Trust, Casualty Finance Office Supervisor, Mater Misericordiae Hospital, Chair, Registration, Strategy and Professional Development Committee</p> <p>He is an independent Director</p>
 <p>CS. Jeremiah Karanja (Member) D.O.B: 1982</p>	<p>Chief Executive Officer/ Secretary-ICPSK, Manager/Secretary- ICPSK Sacco Society Limited, Company Secretary and Manager- CPS Governance Centre, Company Secretary and Business Consultant – Haki Associates, Human Resource</p>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

<p>Master of Business Administration (UON), Bachelor of Arts-Public Administration, Political Science and Communication (University of Nairobi), Higher Diploma in Human Resources Development (ICM) Certified Public Secretary (kasneb), Member Institute of Certified Public Secretaries of Kenya</p>	<p>Officer-Training Securex Agencies (K) Limited He is an independent Director</p>
 <p>CPA. Isaac Wamute Gathirwa (Member) D.O.B -2/02//1972 Masters of Law –LLM (University of Nairobi) Masters of Business Administration (Kenyatta University) Bachelor of Laws (Moi University) Diploma in Law (Kenya School of Law) Certified Public Secretary (kasneb) Member Institute of Certified Public Secretaries of Kenya Member Law Society of Kenya</p>	<p>Chief Legal Officer (Commission for University Education (Current), Senior State Counsel (Advocates Complaints Commission- State Law Office), Associate Counsel (Gichuki King’ara and Company Advocates) He is an independent Director</p>
 <p>Elijah O. Nyamamba (Member) D.O.B.30/10/1969 Bachelor of Arts (Economics) Diploma Purchasing and Supplies Management MSc Procurement and Logistics KISM Member</p>	<p>Director Supply Chain Management Services, The National Treasury and Planning (current) Supplies Officer, Department of Defence He is an Alternate Director</p>
 <p>CS. Joyce M. Afanda (Member) D.O.B 19/07/1985 Master of Business Administration (Kenyatta University)</p>	<p>Ag. Corporation Secretary & Deputy Director Legal Services and also the Data Protection Officer, kasneb (Current), Senior Research and Development Officer (kasneb), Auditor (RSM Ashvir) Chair, Governance and Finance Committee She is an independent Director</p>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025



<p>Bachelor of Laws ((University of Nairobi) Certified Public Secretary (kasneb) Certified Public Accountant (kasneb) Member Institute of Certified Public Secretaries of Kenya Member Institute of Certified Public Accountants of Kenya</p>	
 <p>Geoffrey Kiarie Njuguna (Member) D.O.B: 4/10/1970 Master of Letters in Peace and Conflict Studies; University of Sydney, Australia B.A. Political Science (Government) and Linguistics (Swahili) University of Nairobi, Kenya</p>	<p>Senior Deputy Secretary, State Department for Public Service, Deputy County Commissioner, Under Secretary Betting Control and Licensing Board, Project Coordinator/ CEWARN Desk Officer: Kenya’s Conflict Early Warning and Response Unit (CEWERU) He is an independent Director</p>
 <p>Margaret Odinyo D.O.B: 13/07/1980 Bachelor of Commerce- Kenyatta University Chartered Institute of Arbitrators - Member Certified Public Secretary of Kenya- CS (K) Certified Public Accountant of Kenya- CPA (K)</p>	<p>Assistant Manager- Finance& Accounts-Credit Management-Kenya Electricity Generating Company (KenGen), Senior Accountant- Corporate Finance-- Kenya Electricity Generating Company (KenGen), Accountant - Kenya Electricity Generating Company (KenGen) Chair, Audit and Risk Committee She is an independent Director</p>
	<p>Deputy Chief State Counsel Government Transactions Department, Office of the Attorney General and Department of Justice, Member of the Board of the LAPSSET Corridor Development Authority (LCDA)</p>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

<p>Nevis Ombasa D.O.B: 24/10/1980 Bachelor of Laws (Karnataka University, India) and Bachelor of Arts (D.A.V.V University, India) Post Graduate Diploma in Law, Kenya School of Law Member of the Law Society of Kenya</p>	
 <p>Nancy Gathuku D.O. B: 08/07/1963 Master of Business Administration (Africa Nazarene University) Bachelor of Commerce ((University of South Africa) Coaching Diploma (Dispute & Conflict Resolution International) Certified Professional Mediator</p>	<p>Head Sourcing and Facilities Management Cooperative Bank of Kenya Limited Branch Manager – Equity Bank Head of Credit – Guardian Bank Credit Manager – Trust Bank</p>
 <p>FCS Patrick K. Mulwa (Executive Officer & Secretary to the Board) D.O.B -18/10/1969 Bachelor of Commerce (UON), CPSK (K), Fellow Institute of Certified Public Secretaries of Kenya (ICPSK), Associate Member, Kenya Institute of Management, Member, Professional Trainers Association of Kenya)</p>	<p>Chief Executive Officer (RCPSB), Academic Administrator (KIDS), Principal (Legacy College), Principal and Chief Trainer (EASM), Lecturer, (KIM), Programs Manager (TEC Institute of Management), Training and Marketing Manager (Onix Computer Services Limited)</p>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

4. Key Management Team

MANAGEMENT	PROFESSIONAL EXPERIENCE
 <p>FCS Patrick K. Mulwa (Executive Officer & Secretary to the Board) D.O.B -18/10/1969 Bachelor of Commerce (UON), CPSK (K), Fellow Institute of Certified Public Secretaries of Kenya (ICPSK), Associate Member, Kenya Institute of Management, Member, Professional Trainers Association of Kenya)</p>	<p>Chief Executive Officer (RCPSB), Academic Administrator (KIDS), Principal (Legacy College), Principal and Chief Trainer (EASM), Lecturer (KIM), Programs Manager (TEC Institute of Management), Training and Marketing Manager (Onix Computer Services Limited)</p>
 <p>CPA Patrick Tanui D.O.B: 01/07/1988 Certified Public Accountant of Kenya- CPA (K) Diploma in Cooperative Management</p>	<p>Senior Accountant – RCPSB Accountant- Bartek Investment Cooperative Society Accountants Assistant - Bartek Investment Cooperative Society</p>

5. Chairman's Statement

It is my pleasure, honour and privilege to once again on behalf of the Board to present the RCPSB annual report and financial statements for the year ended 30 June 2025. The RCPSB has continued to implement its core mandate which is to register qualified secretaries and issue practicing certificates to those registered secretaries who are eligible to offer services to the public as Certified Secretaries. The Board has continued to discharge its responsibility which is to guide the mission, vision and purpose of the RCPSB. In this regard the Board has guided in the finalization of the Strategic Plan 2024/2028. The strategic plan seeks to implement more stakeholder focused engagement to increase the value proposition of the Certified Secretaries qualification. The plan also aims at creating awareness of the Certified Secretarial profession and enhancing the numbers of Certified Secretaries. During a Board Strategic Plan Retreat held in June 2024, the Board identified areas and proposed amendments to the regulations governing registration and issue of practicing certificates. This is aimed at easing entry into the profession.

Towards this end the RCPSB reviewed the regulations governing registration of Certified Secretaries, issue of practicing certificates and approved qualifications for registration and membership to the Institute under Section 20) (1) (b) and Section 20 (2) of the CPS Act, Cap 534, Laws of Kenya. It is projected that the review and additional qualification under Section 20(2) will ease the process of registration and increase the number of Certified Public Secretaries.

The year under reporting also saw a number of Government initiatives aimed at improving service delivery to the citizens of Kenya, enhancing governance and accountability and ensuring effectiveness and efficiency in the delivery of services under a constrained fiscal space. The following are some of the key initiatives introduced by the Government:

1. Revitalization and Re-energization of Regulatory Authorities and Agencies (RAAs)
2. On-boarding Government services and payments on e-Citizen Platform
3. Zero-fault Audit regime
4. Electronic Government Procurement under the -e-GP Programme

The RCPSB will continue engaging with all the relevant government agencies to ensure compliance with all government policies and initiatives that are aimed improving efficiency in delivery of services to the citizens and enhancing compliance with laws and regulations.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

The RCPSB in discharging its mandate faces and number of challenges that impact on its performance. Notable among this is lack of appointment of a substantive Chairperson and Vice Chairperson of the Board. The RCPSB will continue engaging with the relevant stakeholders to ensure substantive appointment of a chairperson and Vice Chairperson. The Board will progressively guide on how to resolve these issues. The Government's constrained fiscal space has also seen a reduction in exchequer allocations to the RCPSB. This has impacted operational activities of the RCPSB due to inadequate staffing levels that has led to internal control challenges and performance management challenges.

Despite these challenges the RCPSB was able to report improved financial performance with an increase in internally generated revenue from Ksh. 3,261,268 in the financial year 2023/2024 to Ksh. 4,058,500 in the financial year 2024/2025. The RCPSB also saw an increase of registered Certified Secretaries from 213 in the financial year 2023/2024 against a budgeted 231 to 283 in the financial year 2024/2024 against a budgeted 290.

The RCPSB will continue enhancing performance improvements in order to ensure achieve its core mandate of increasing the number of registered Certified Secretaries and issued Practicing Certificates.

I would like to thank the staff of the Board for their dedication and hard work that has ensured that the Board is able to discharge its mandate effectively. Finally, I would like to thank my fellow Board members for their commitment to the Board and the support they have accorded me and the RCPSB in implementing its mandate.

FCS Happi Kilongosi

Chairperson



Date:13/11/2025.....

6. Report of the Chief Executive Officer

It is my pleasure, honour and privilege as the Accounting Officer of the RCPSB to present the annual report and financial statements for the year ended 30 June 2025. The RCPSB has continued implementing its core mandate which is to register qualified secretaries and issue practicing certificates to those registered secretaries who are eligible to offer services to the public as Certified Secretaries. As the Accounting Officer I wish to present the following highlights concerning the performance of the RCPSB and the key issues impacting on the RCPSB.

The Government of Kenya through the Office of Chief of Staff and Head of Public Service launched a campaign aimed at revitalization and reenergization of Regulatory Authorities and Agencies (RAAs) in the year 2023. The aim of the campaign is to enhance access and the efficiency is the delivery government services to the citizens of Kenya. Towards this end the RCPSB engaged on a review the regulations governing registration of Certified Secretaries, issue of practicing certificates and approved qualifications for registration and membership to the Institute under Section 20) (1) (b) and Section 20 (2) of the CPS Act, Cap 534, Laws of Kenya. It is projected that the review and additional qualification under Section 20(2) will ease the process of registration and increase the number of Certified Public Secretaries. The regulations have received approval of the Board and have been subjected to stakeholder participation and are awaiting gazettelement by the Cabinet Secretary, the National Treasury before implementation.

The year under reporting also saw a number of Government initiatives aimed at improving service delivery to the citizens of Kenya, enhancing governance and accountability and ensuring effectiveness and efficiency in the delivery of services under a constrained fiscal space. The following are some of the key initiatives introduced by the Government:

1. Revitalization and Re-energization of Regulatory Authorities and Agencies (RAAs)

Since when the initiative was launched by the Office of Chief of Staff and Head of the Public Service, the RCPSB has submitted two reports to the Ministerial Standing Committee on the Revitalization and Re-energization of Regulatory Authorities. The RCPSB has reported improvements in access to services by onboarding payments into the e-Citizen Platform and the process of onboarding its services into the e-Citizen Platform. The RCPSB has also participated in sensitization programmes such as the first and the second Regulatory Authorities and Agencies Conferences held in April 2024 and April 2025. In addition, the

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

RCPSB has participated in a number of Virtual engagements that aim at enhancing performance and delivery of services. This has enabled the RCPSB to communicate the gaps in regulatory tools/frameworks of the certified secretaries' profession operational challenges hindering optimal execution of the RCPSB mandate; Correctional actions to ensure improvement of services and steps to enhancing and sustaining visibility of the RCPSB.

2. On-boarding Government services and payments on e-Citizen Platform

The Government aims to enhance access and delivery of services to its citizens. Towards this end the Government requires its MDAs to improve access to their services by onboarding their services in to the electronic service platform, E-Citizen. This RCPSB has engaged with the Directorate of E-Citizen and has onboarded its payments into the e-Citizen Platform. The RCPSB is currently working to ensure that the services are fully onboarded and accessible through the platform.

3. Zero-fault Audit regime

Despite the various challenges that the RCPSB faces in terms of budget constraints, inadequate staffing, governance challenges such as the lack of an internal audit function that forces the RCPSB to rely on internal audit services of the Internal Audit function of the National Treasury, the RCPSB continues to enhance its financial reporting frameworks. This has enabled the RCPSB to receive Unmodified Audit Reports for the last 12 years. The RCPSB will endeavour to continue enhancing its financial reporting frameworks, governance systems and compliance to ensure that it continues receiving zero-fault audits.

4. Electronic Government Procurement under the -e-GP Programme

To improve efficiency and effectiveness in government procurement the Government introduced the Electronic Government Procurement, e-GP from 1st July 2025. Sensitization and registration were carried out in the FY 2024/2025. Though the RCPSB's registration was pended due to insufficient internal control such as lack of a procurement officer, the RCPSB was engaging the National Treasury for deployment of a procurement officer to ensure compliance with the e-GP requirements.

The RCPSB will continue engaging with all the relevant government agencies to ensure compliance with all government policies and initiatives that are aimed improving efficiency in delivery of services to the citizens and enhancing compliance with laws and regulations.

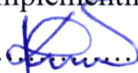
REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

The RCPSB in discharging its mandate faces and number of challenges that impact on its performance. Notable among this is lack of appointment of a substantive Chairperson and Vice Chairperson of the Board. The RCPSB has continue engaging with the relevant stakeholders to ensure substantive appointment of a chairperson and Vice Chairperson. The RCPSB has written to the Chief of Staff and Head of the Public Service and the Cabinet Secretary, the National Treasury on how to resolve this issue. The Government’s constrained fiscal space has also seen a reduction in exchequer allocations to the RCPSB. This has impacted operational activities of the RCPSB due to inadequate staffing levels that has led to internal control challenges and performance management challenges. The RCPSB will continue engaging the relevant authorities to address these challenges.

In the financial year 2024/2025, the RCPSB and its stakeholders embarked on a number of initiatives aimed at increasing the number of registered certified secretaries and the number of issued practicing certificates. These initiatives included the formation of a Task force on marketing the Certified Secretaries Profession. The Taskforce developed a marketing strategy and programme that saw participation in 14 career fairs as well as targeted marketing activities. These marketing activities and sensitization was able to see the RCPSB report improved financial performance with an increase in internally generated revenue from Ksh. 3,261,268 in the financial year 2023/2024 to Ksh. 4,058,500 in the financial year 2024/2025. The RCPSB also saw an increase of registered Certified Secretaries from 213 in the financial year 2023/2024 against a budgeted 231 to 283 in the financial year 2024/2024 against a budgeted 290. The improvement in performance

The RCPSB will continue enhancing performance improvements in order to ensure achieve its core mandate of increasing the number of registered Certified Secretaries and issued Practicing Certificates.

I would like to thank the staff of the RCPSB for their dedication and hard work that has ensured that the RCPSB is able to discharge its mandate effectively. Finally, I would like to thank the Board members for their commitment, strategic leadership and the support they have accorded me and the RCPSB in implementing its mandate.



.....
FCS Patrick K Mulwa
Chief Executive Officer

Date: 13/4/2024

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

7. Statement of Performance against Predetermined Objectives for FY 2024/2025

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity’s performance against predetermined objectives.

RCPSB has 5 strategic pillars and objectives within its Strategic Plan for the FY 2023/2024. These strategic pillars are as follows:

Pillar 1: Increase in registered and practicing Certified Secretaries through enhanced access.

Pillar 2: Quality assurance through improved the policy and regulatory framework for the CS profession.

Pillar 3: Awareness and Acceptance of the Certified Secretaries profession

Pillar 4: Financial Sustainability and Resource Mobilization.

Pillar 5: Organizational capacity Strengthening

RCPSB develops its annual work plans based on the above 5 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The RCPSB achieved its performance targets set for the FY 2023/2024 period for its 5 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Increase in registered and practicing Certified Secretaries through enhanced access.	Increase in registration by 10%	Number of registrations	<ul style="list-style-type: none"> • Approve additional requirements for qualification (Alternative routes to membership) • Work with relevant stakeholders to recognize prior learning in developing qualifications • Review documentation required for registration 	<ul style="list-style-type: none"> • The Board approved and subjected to stakeholder participation review of the regulations for registration and issue of practicing certificates. • The Board also approved an additional qualification for registration under Section 20(1) (b) and Section 20 (2) of the CPS Act

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

				<ul style="list-style-type: none"> • Joint sensitization and promotion with key stakeholders as agreed through MOUs • Enhance online registration by optimizing website • Support the Student Society created by the ICS and training institution • Enhance affordability through review fees so as to be competitive with other professions 	<ul style="list-style-type: none"> • The reviewed regulations are awaiting gazettelement by the Cabinet Secretary, The National Treasury • The RCPSB together with the ICS were able to hold 14 career fairs in institutions of higher learning to sensitize students about the Certified Secretaries profession • The RCPSB was able to register 283 Certified Secretaries against the budgeted 290
		Increase in issue of Practicing Certificates	Number of practicing certificates issued	<ul style="list-style-type: none"> • Review documentation required for issue of a practicing certificate • Review requirements for issue of practicing certificates. • Support mentorship programme as envisaged in the MOU between CS Institutions • Communicate to members who qualify for issue of 	The RCPSB was able to issue 97 practicing Certificates against the budgeted 72

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

				<p>practicing certificates</p> <ul style="list-style-type: none"> • Publish requirements of Practicing as a Certified Secretary in relation to the Companies Act and other laws and regulations • Reach out to deregistered members and work out waivers with the ICS 	
		Reduce Dormancy through re-registration	Number of Re-registrations	Reach out to deregistered members and work out waivers with the ICS	The RCPSB was not able to reregister members
Pillar 2: Quality assurance through improved the policy and regulatory framework for the CS profession.		To review of the CPS Act	Amended or repealed Act	Stakeholder engagement to ensure review of the CPS Act	The RCPSB together with the Institute of Certified Secretaries and the National Treasury were able to prepare a draft Certified Secretaries Bill and The Cabinet Secretary, The National Treasury on 11 th November 2024 wrote to the Attorney General requesting the tabling of the Cabinet Memorandum on the bill before cabinet
		To review of regulations on requirements	Reviewed Regulation	Stakeholder engagement to ensure review of the regulations	<ul style="list-style-type: none"> • The Board approved and subjected to stakeholder

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

		for registration and issue of practicing		governing registration and issue of practicing certificates	<p>participation review of the regulations for registration and issue of practicing certificates.</p> <ul style="list-style-type: none"> The Board also approved an additional qualification for registration under Section 20(1) (b) and Section 20 (2) of the CPS Act
		To enhance governance and compliance with laws and regulations governing the Certified Secretaries profession	Number of publications	Engage individually or collaboratively with CS Institutions technical advisor in governance and compliance	In the financial year 2024/2025 the RCPSB was represented in a Taskforce jointly set up with the ICS that developed 14 study packs for the Certified Secretaries Qualification to aid students in learning
		To create additional membership categories	Additional membership categories	To amend the CPS Act to provide for additional categories of membership such as associate and affiliate	The RCPSB together with the Institute of Certified Secretaries and the National Treasury were able to prepare a draft Certified Secretaries Bill and The Cabinet Secretary, The National Treasury on 11 th November 2024 wrote to the Attorney General requesting the tabling of the Cabinet Memorandum on the bill before cabinet

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

<p>Pillar 3: Awareness and Acceptance of the Certified Secretaries profession</p>		<p>To conduct research on corporate governance and the Certified Secretaries profession</p>	<p>Number of researches</p>	<p>Support to CS Institutions to carry out joint research of areas of areas of professional practice</p>	<ul style="list-style-type: none"> ▪ The RCPSB is part of the Research and Publication Committee of the ICS which coordinates research on behalf of the Certified Secretaries Institutions ▪ In the financial year 2024/2025 the RCPSB was represented in a Taskforce jointly set up with the ICS that developed 14 study packs for the Certified Secretaries Qualification to aid students in learning
		<p>To create market awareness of the CS qualification</p>	<p>Number of joint events</p>	<p>Support targeted advocacy by the CS Institutions</p>	<ul style="list-style-type: none"> • The RCPSB and The ICS formed a joint taskforce Taskforce to Market of the CS Profession • The task force held Career Fairs at: <ul style="list-style-type: none"> (i) Naivasha Girls High School (ii) Eldoret Polytechnic (iii) Karatina University (iv) Kenyatta University (v) Multimedia University of Kenya (vi) Taita Taveta University

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

					<p>(vii) Chuka University</p> <p>(viii) Maasai Mara University</p> <p>(ix) Riara University</p> <p>(x) Catholic University of East Africa</p> <p>(xi) Kenya High School</p> <p>(xii) Kenya School of Law</p> <p>(xiii) Turkana University</p> <p>(xiv) Chuka University</p>
		To effect a change in the name of the profession	Reviewed Act	Amend the CPS Act for the names of the CS Institutions and qualification to incorporate governance	The RCPSB together with the Institute of Certified Secretaries and the National Treasury were able to prepare a draft Certified Secretaries Bill and The Cabinet Secretary, The National Treasury on 11 th November 2024 wrote to the Attorney General requesting the tabling of the Cabinet Memorandum on the bill before cabinet
		To lobby with stakeholders for recognition of the CS Profession	An amendment of the Companies Act, Scheme of service for certified secretaries	Engage individually or collaboratively with CS Institutions technical advisor in Partnerships and	<ul style="list-style-type: none"> The three Certified Secretaries institutions, ICS, RCPSB and kasneb formed a Task to deliberate on ways of increasing the

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

				advocacy services	<p>recognition of the profession and increasing the number of registered certified secretaries The Taskforce made recommendations that are aimed at increasing the number of Certified Secretaries</p> <ul style="list-style-type: none"> The joint Taskforce made of up of Kasneb, RCPSB and ICS developed a Concept Note for Mainstreaming of the Governance Profession in the Public Service, which was discussed with the EACC and final comments are awaited.
		To enhance stakeholder engagement Partnership Development and Publicity	Number of joint events	Implementation of the MOU between CS Institutions	The RCPSB, kasneb and ICS successfully implemented the MOU signed in 2021 and in the 2025 carried out an evaluation of the implementation of the MOU which made a recommendation that the MOU be renewed.
Pillar 4: Financial Sustainability and Resource Mobilization.		To have alternative sources of funding	Increase in funding	<ul style="list-style-type: none"> Develop a Fundraising Policy Fundraising initiatives 	The Board has approved the development of a fundraising policy

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

<p>Pillar 5: Organizational capacity Strengthening</p>		<p>To increase the staff, complement to enhance operational capacity</p>	<p>Increase in Staff levels</p>	<ul style="list-style-type: none"> • Human Resource Management Instruments approved by relevant Government bodies • To petition the relevant government Institutions to categorize the RCPSB among state corporations 	<ul style="list-style-type: none"> • The RCPSB was able to start the process of onboarding its services on e-Citizen. The RCPSB services are enabled to receive payment through the e-Citizen platform • The RCPSB requested and received a driver on redeployment from the National Treasury. This has enabled operational efficiency for the RCPSB
--	--	--	---------------------------------	---	--

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

8. Corporate Governance Statement

Governance is the structure and the system of rules, practices and processes by which an organization is directed, controlled and held accountable. Governance also provides the framework of achieving the objectives of the organization and creates benchmarks for the measurement of corporate performance and disclosure. The core of RCPSB's governance structure is the Board and its committees that advice and guide decision making for the RCPSB.

The Board meets once every two months except in December to consider and approve applications for registration of Certified Secretaries and to approve issue Practicing Certificates. Committees of the Board meet quarterly.

In the Financial year ended 30 June 2025, Board held the following number of meetings.

S/N	TYPE OF MEETING	NUMBER OF MEETINGS
1	Board Meeting	8
2	Governance and Finance Committee Meeting	5
3	Registration, Strategy and Professional Development Committee Meeting	6
4	Audit and Risk Committee Meeting	1
	Total Number of Meetings	20

The Board carries an executive role of approving applications for registration and issue of practicing certificates as per the requirements of the CPS Act Cap 534 of the laws of Kenya. This necessitates a higher frequency of meetings.

The table below indicates the individual attendance of Board Members in Board Meetings:

Board Meetings

S/N	NAME OF BOARD MEMBER	DESIGNATION	ATTENDANCE OUT OF SITTINGS
1	Happi Kilongosi	Member	8
2	Peter Kitonyo	Member	8
3	Margaret Odinyo	Member	7
4	Joyce Afanda	Member	8
5	Jeremiah Karanja	Member	8
6	Geoffrey K. Njuguna	Member	7

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

7	Nevis Ombasa	Member	7
8	Elijah Nyamamba	Member	8
9	Isaac Gathirwa	Member	8
10	Nancy Gathuku	Member	8
11	Patrick Mulwa	CEO/ Secretary	8

Governance and Finance Committee

S/N	COMMITTEE MEMBER	DESIGNATION	ATTENDANCE OUT OF SITTINGS
1	Joyce Afanda	Chairman	5
2	Elijah Nyamamba	Member	5
3	Geoffrey K. Njuguna	Member	5
4	Nevis Ombasa	Member	5
5	Patrick Mulwa	CEO/ Secretary	5

Registration, Strategy and Professional Development Committee

S/N	NAME OF BOARD MEMBER	DESIGNATION	ATTENDANCE OUT OF SITTINGS
1	Peter Kitonyo	Chairman	6
2	Happi Kilongosi	Member	5
3	Jeremiah N. Karanja	Member	6
4	Isaac W. Gathirwa	Member	6
5	Patrick Mulwa	CEO/ Secretary	6

Audit and Risk Committee

S/N	NAME OF BOARD MEMBER	DESIGNATION	ATTENDANCE OUT OF SITTINGS
1	Margeret Odinyo	Chairman	1
2	Isaac W. Gathirwa	Member	1
3	Elijah Nyamamba	Member	1
4	Nancy Gathuku	Member	1

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

Board and CEO Remuneration

The table below shows the Board members remuneration

	2025	2024
	Kshs	Kshs
Directors Remuneration	3,420,000	5,100,000
Key management compensation	2,960,436	2,808,933
Total	<u>6,380,436</u>	<u>7,908,933</u>

During the year under review, the Board was not considered fully constituted due to the fact that it did not have a gazetted Chairperson and Vice Chairperson as per the 3rd Schedule of the CPS Act, Cap 534.

The members of the Board are appointed by the Cabinet Secretary, The National Treasury according to the requirements of the Certified Public Secretaries of Kenya Act, Cap 534 of the Laws of Kenya. The members are appointed to serve for a term of 3 years. It is worth noting that the current Board was appointed late on 27th September 2023, the term of the previous Board having expired on 31st December 2022. Also, the Board does not have a substantive Chairperson and Vice Chairperson. Efforts have been made to expedite the appointments with the Head of Public Service, Executive Office of the President.

Three months before the expiry of the term of the Board, the Registrar of the Board through the Office of the Director General Accounting Services and Quality Assurance, the National Treasury writes to the nominating institutions to nominate members for appointment by the Cabinet Secretary.

Directors can be removed by the nominating institution writing to the Cabinet Secretary and requesting for revocation of the director's nomination.

Roles and Functions of the Board

- (a) The Board carries an executive role of approving applications for registration and issue of practicing certificates as per the requirements of the CPS Act Cap 534 of the laws of Kenya. Determine the Board's mission, vision, purpose and core values;
- (b) Review, evaluate and approve, on a regular basis, long-term plans for the Board;
- (c) Review, evaluate and approve the Board's budget and financial forecasts;
- (d) Review, evaluate and approve major resource allocations and capital investments;
- (e) Ensure that the procurement process is cost-effective and delivers value for money;

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

- (f) Review and approve the operating and financial results of the Board;
- (g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the Board's operations and performance;
- (h) Ensure that effective processes and systems of risk management and internal controls are in place;
- (i) Review, evaluate and approve the overall organizational structure, the assignment of senior management responsibilities and plans for senior management development and succession;
- (j) Review, evaluate and approve the remuneration structure of the Board;
- (k) Adopt, implement and monitor compliance with the Board's Code of Conduct and Ethics;
- (l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed performance measurement framework with the Government of Kenya;
- (m) Review periodically the Board's strategic objectives and policies relating to sustainability and social responsibility/investment;
- (n) Protect the rights of stakeholders and optimize stakeholder value;
- (o) Enhance the Board's public image and ensure engagement with stakeholders through effective communication;
- (p) Monitor compliance with the Constitution, all applicable laws, regulations and standards; and
- (q) Review, monitor and ensure that the organization is effectively and consistently delivering on its mandate.

The current Board was appointed on 27th September 2023 and gazetted on 29th September 2023 and an internal induction of the Board held on 13th October 2023. The Board was inducted by the State Corporations Advisory Committee (SCAC) in January 2024. The board undertakes a Board evaluation at the end of each financial year. The evaluation of the Board for financial year 2023/2024 was done on 16th August 2024. Board members are paid sitting allowances these are disclosed as board members' remuneration in the statement of financial performance. The members of the Board are bound by the provisions of Mwongozo: The Code of Governance for State Corporations.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

9. Management Discussion and Analysis

The Board continued its core mandate which is to register qualified secretaries and issue practicing certificates to those who are eligible to offer services to the public as Certified Secretaries. The following is a summary of comparative applications for registrations and issues of practicing certificates as at June 2025.

The Board continued its core mandate which is to register qualified secretaries and issue practicing certificates to those who are eligible to offer services to the public as Certified Secretaries. The following is a summary of comparative applications for registrations and issues of practicing certificates for 2024/2025.

	2023/2024		2024/25		Q1-2024/25		Q2-2024/25		Q3-2024/25		Q4-2024/25		FOR THE YEAR	
	BUDGET	ACTUAL	BUDGET	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	TOTAL BUDGET	TOTAL ACTUAL	
Registration	231	213	290	73	52	71	60	73	100	73	71	290	283	
Practicing	60	73	72	18	30	18	19	18	34	18	14	72	97	

CATEGORY OF MEMBERSHIP	2023/24 (30 TH JUNE 2024)	2023/2024 CUMULATIVE UP TO (30 TH JUNE 2025 APPROVED BY THE BOARD	INCREASE IN REGISTRATIONS AND ISSUED PRACTICING CERTIFICATES AS AT 30 TH JUNE 2024
Registration	4,436	4,688	252
Practicing	1,592	1,684	92

The numbers of registrations and practicing certificates received registered a fair performance in the 2023/2024 financial year. Kasneb held examinations in August 2023, December 2023 and May 2024. The RCPSB has formulated a number of initiatives aimed at increasing the number of registered Certified Secretaries namely:

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the year ended June 30, 2025

1. Partnering with the Institute of Certified Secretaries and kasneb to market the Certified Secretaries qualification
2. Sponsoring marketing awareness campaigns on the Certified Secretaries qualification

10. Environmental and Sustainability Reporting

i) *Sustainability strategy and profile*

The legal and regulatory environment remains inhibiting to the realization of the potential impact envisaged for the profession. The Board has worked with ICPSK, which is leading the initiative in lobbying GOK for an improved legal and regulatory environment for the practice of the Certified Secretaries profession. These efforts have targeted amendments to a number of statutes including:

- (1) The CPS Act to, inter alia, reflect the evolving role of the profession in the promotion of good governance. In this regard, draft legislation has been submitted to the parent Ministry for its consideration prior to its transmission to the State Law office. Some of the changes are in support of rebranding the profession as well as expanding the categories of membership to encourage growth in numbers.
- (2) Changes to the insolvency Act to allow members of the Certified Secretaries profession to serve as insolvency practitioners,
- (3) The Companies Act, to widen the number of businesses to require Certified Secretarial professional services, as well as eliminate quacks from purporting to engage in Certified Secretarial practice.

The RCPSB and other Stakeholders participated in the review and development of the Certified Secretaries Amendment Bill 2024.

ii) *Environmental performance*

The RCPSB is a purely service organization and does not have an environment policy at the moment. The RCPSB projected to have a CSR budget to take part in the Presidential Tree Planting exercise. However, funds were not allocated in the approved budget.

iii) *Employee welfare*

The RCPSB wrote to the Ministry of Public Service and Gender, State Department of Public Service in January 20, 2019 to be assisted in developing Human Resource Management instruments. The Principal Administrative Secretary appointed a Team from the Management Consultancy Division of the Ministry to develop the RCPSB Human Resource Management Instruments. The team working with the Secretariat finalized the report which was received on 23rd May 2019 and the Board approved and adopted the report and Instruments on 29th May 2019. The Instruments were delivered to the RCPSB on 4th July 2019. The Board adopted the following

RCPSB Human Resource Management developed by the Management Consultancy Services Department, State Department of Public Service, Ministry of Public Service, and Gender:

- Organization Structure and Staffing of the Registration of Certified Public Secretaries Board (Incorporating RCPSB Organization Structure and RCPSB Staff Establishment)
- Career Progression Guidelines for the Staff of the Registration of Certified Public Secretaries Board
- RCPSB Human Resources Policies and Procedures Manual.

These instruments enable the RCPSB to manage its human resources equitably and according to best practices and the laws and regulations governing the employment contract.

The RCPSB started implementing the Instruments in December 2020 with the re-designation of the staff of the RCPSB.

iv) *Market place practices-*

a) *Responsible competition practice.*

The RCPSB is a regulator that is established under the Certified Public Secretaries Act (CPS Act), Cap 534 and does not have a competitor profile

b) *Responsible Supply chain and supplier relations*

The RCPSB endeavours to maintain good and value adding relationship with its supply chain partners. Specifically, the RCPSB ensures that payments are made in time and that communications with partners are clear and timely. The RCPSB is engaging with the National Treasury to registered in the electronic Government Procurement Programme, e-GP Programme.

c) *Responsible marketing and advertisement or Responsible engagement with the citizens*

In discharging its mandate, the RCPSB endeavours to follow the requirements of the Act and any other related laws and regulations. In carrying its role, the RCPSB complements the work of the Institute of Certified Public Secretaries of Kenya (ICPSK), also established through the CPS Act

d) *Product stewardship or Awareness Creation*

The RCPSB ensure that its clients get accurate and timely information on its services. This information is available on the RCPSB's website, at the Institute of Certified Public Secretaries of Kenya website and at request when required.

v) *Corporate Social Responsibility / Community Engagements*

In the Financial Year 2024-2025 the RCPSB did not have any community engagements. This was due to the fact that the RCPSB was not allocated a CSR budget in the approved budget.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the year ended June 30, 2025

11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the RCPSB’s affairs.

(i) Principal activities

The principal activities of the Registration of Certified Public Secretaries Board continue to be to register qualified Secretaries and issue practicing certificates to those registered Secretaries who are eligible to offer services to the public as Certified Public Secretaries of Kenya. The other mandate of the Board is a regulatory role which is to de-register members out of their professional misconduct or any other reason as stipulated in the Certified Public Secretaries Act Cap 534, Section 24.

(ii) Results

The results of the RCPSB for the year ended June 30, 2025 are set out on pages 1 to 6.

(iii) Directors

The members of the Board of Directors who served during the year financial year 2024/2025 shown on page (iv)- (vii)

(iv) Surplus remission

The RCPSB is categorised in Schedule 4 and hence did not make any remittance to the Consolidated Fund. The RCPSB was not allocated any exchequer funding for the financial year 2025/2026 and is requesting the National Treasury to use part of its surplus to fund its operations for the Financial Year 2025/2026.

(v) Auditors

The Auditor General is responsible for the statutory audit of the RCPSB in accordance with the Section 34 of the Certified Public Secretaries Act, Section 14 (3) of the State Corporations Act (CAP 446) and Section 68 (2) of the Public Finance Management (PFM) Act, 2012)

By Order of the Board



.....
FCS Patrick Mulwa
Chief Executive Officer and Secretary to the Board
Date: 13/11/2025

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and Section 34 of the Certified Public Secretaries Act (CAP 534), and section 14 (2) of the State Corporations Act, require the Directors to prepare financial statements in respect of that RCPSB, which give a true and fair view of the state of affairs of the RCPSB at the end of the financial year/period and the operating results of the RCPSB for that year/period. The Directors are also required to ensure that the RCPSB keeps proper accounting records which disclose with reasonable accuracy the financial position of the RCPSB. The Directors are also responsible for safeguarding the assets of the RCPSB.

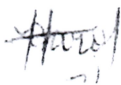
The Directors are responsible for the preparation and presentation of the RCPSB's financial statements, which give a true and fair view of the state of affairs of the RCPSB for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the RCPSB; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the RCPSB's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Certified Public Secretaries Act (CAP 534). The Directors are of the opinion that the 's financial statements give a true and fair view of the state of RCPSB's transactions during the financial year ended June 30, 2025, and of the RCPSB's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the RCPSB, which have been relied upon in the preparation of the RCPSB's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The RCPSB's financial statements were approved by the Board on 26th August 2025 and signed on its behalf by:



Chairperson of the Board



Chief Executive Officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Registration of Certified Public Secretaries Board set out on pages 1 to 34, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of

comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Registration of Certified Public Secretaries Board as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Certified Public Secretaries of Kenya Act, 2015 (Revised) and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Registration of Certified Public Secretaries Board Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparable basis amounts of Kshs.19,879,852 and Kshs.14,303,356 respectively, resulting in under-funding of Kshs.5,576,496 or 28% of the budget.

Similarly, the statement reflects expenditure budget and actual on comparable basis amounts of Kshs.19,879,852 and Kshs.19,823,762 respectively, resulting in under-expenditure of Kshs.56,090.

The under-funding may have affected the planned activities and impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Information

The Directors are responsible for the Other Information set out on page iv to xxxiv which comprise of Key Entity Information and Management, Board of Directors, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors responsibilities. The

Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Board's financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and, accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Non-Compliance with Guidelines on Board Expenses

The statement of financial performance reflects board expenses of Kshs.4,465,329 as disclosed at Note 11 to the financial statements. The expenditure represents 22% of total operational and maintenance budget of Kshs.19,879,852 which exceeded the 5% budget ceiling, contrary to the provisions of Treasury Circular No. OP/CAB.9/1A dated 11 March, 2020 on the Management of State Corporations which capped board expenses for a financial year at Kshs.30 million or 5% of the operations and maintenance budget of the State Corporation, whichever is less.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and

Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Failure to Gazette Appointment of the Chairperson and Vice Chairperson of the Board

As reported previously, review of Board's records indicate that the current board members were appointed on 16 June, 2023 and some members gazetted on 27 September, 2023 for a period of three (3) years effective 29 September, 2023. However, by the time of the audit in October, 2025, the appointment of the Chairperson and the Vice Chairperson had not been gazette despite consistent follow-up by the Management. This is contrary to the provisions of the Third Schedule of the Certified Public Secretaries of Kenya Act, 2015 (Revised) which provides for the appointment of a Chairperson and Vice Chairperson of the Board.

In the circumstances, the appointing Authority was in breach of the law and the effectiveness of the Board in guiding corporate governance during the year could not be confirmed.

2. Independence of the Audit Committee

Review of the composition of the Audit and Risk Committee membership revealed that the Board's Chief Executive Officer also serves as the Secretary to the Audit Committee, contrary to the provisions of Regulation 176(1) of the Public Finance Management (National Government) Regulations, 2015, which provides that the accounting officer of a national Government or County entity shall not be a member of the audit committee but shall attend a meeting by invitation of the chairperson of the Committee.

In the circumstances, the Board was in breach of the law.

3. Lack of Internal Audit Function

As reported previously, the Board operated without an internal audit function, contrary to Section 73(1) of the Public Finance Management Act, 2012, which states that every national Government entity shall ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Public Sector Accounting Standards Board. The Board was therefore exposed to operational risks due to lack of assurance services from the internal audit function. Management has however, attributed this to lack of approval of its Authorized Staff Establishment and Organizational Structure by the State Corporation Advisory Committee.

In the circumstances, the adequacy and effectiveness of internal controls and governance in the Board could not be confirmed.

4. Under-staffing at the Board

As reported previously, review of human resource records indicated that during the year under review, the Board operated with only four (4) staff against an approved establishment of twenty-eight (28) staff resulting in a shortfall of twenty-four (24) staff.

The under-staffing is likely to compromise on segregation of duties and the effectiveness of the Board in the achievement of its objectives.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Board'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 Management is aware of the intention to terminate the Board or cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Board's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs 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.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 November, 2025

14. Statement of Financial Performance for the year ended 30 June 2025

	Note	2024-2025	2023-2024
Incomes		Kshs	Kshs
Revenue from non-exchange transactions:			
Transfers from other governments – gifts and services-in-kind	6	10,244,854	43,800,000
Revenue from exchange transactions:			
Rendering of services	7	4,058,500	3,126,500
Finance income - external investments	8	-	134,768
Other Incomes	9	2	-
Total revenue		14,303,356	47,061,268
Expenditure			
Employee Cost	10	7,119,109	6,520,711
Board Expenses	11	4,465,329	9,100,296
Depreciation and amortization expense	12	2,342,622	552,551
Repairs and maintenance	13	117,740	117,740
Use of Goods and Services	14	5,778,962	11,432,762
Total expenses		19,823,762	27,724,060
Surplus/(deficit) for the period		(5,520,406)	19,337,208

The notes set out on pages 7 to 33 form an integral part of these Financial Statements

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:

CEO
Patrick Mulwa

Sign: 

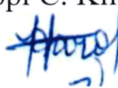
Date: 13/11/2025

Head of Finance
Patrick K Tanui

Sign: 
ICPAK Member Number: 26598

Date: 13/11/2025

Chairperson:
Happi C. Kilongosi

Sign: 

Date: 13/11/2025

15. Statement of Financial Position as at 30 June 2025

	NOTES	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	15	23,504,513	26,577,244
Receivables from non-exchange transactions	16	98,500	48,000
Prepayments	17	1,229,770	1,229,573
Total Current Assets		24,832,783	27,854,817
Non-current assets:			
Property, plant and equipment	18	12,297,907	14,594,477
Intangible Assets	19	69,078	115,130
Total Non-current Assets		12,366,985	14,709,607
Total assets		37,199,768	42,564,424
Liabilities:			
Current liabilities:			
Trade and other payables from exchange transactions	20	70,750	-
Deferred Income (Application fees)	21	80,000	-
Provisions	22	140,000	135,000
Total Current Liabilities		290,750	135,000
Total liabilities		290,750	135,000
Net assets			
Reserves	23	42,429,424	43,092,216
Prior Year Adjustments/ Remittance to Exchequer		-	(20,000,000)
Accumulated surplus (Deficit) for the year		(5,520,406)	19,337,208
Total net assets		36,909,018	42,429,424
Total net assets and liabilities		37,199,768	42,564,424

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by

CEO
Patrick Mulwa

Sign: 

Date: 18/11/2025

Head of Finance
Patrick K Tanui

Sign: 
ICPAK Member Number: 26598

Date: 13/11/2025

Chairperson:
Happi C. Kilongosi

Sign: 

Date: 13/11/2025

16. Statement of Changes in Net Assets for the year ended 30 June 2025

	Reserves	Capital /Development Fund	Total Net Assets
	Kshs	Kshs	Kshs
Balance as at 1 July 2023	43,092,216	-	43,092,216
		-	
Surplus/(deficit) for the period	19,337,208	-	19,337,208
Prior year adjustments	(20,000,000)	-	(20,000,000)
Balance as at 30 June 2024	42,429,424	-	42,429,424
Balance as at 1 July 2024	42,429,424	-	42,429,424
Surplus for the period	(5,520,406)	-	(5,520,406)
Prior year adjustments/Remittance to Exchequer		-	
Balance as at 30 JUNE 2025	36,909,018	-	36,909,018

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the Financial Year ended June 30, 2025

17. Statement of Cash Flows for the year ended 30 June 2025

	NOTES	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments – gifts and services-in-kind	6	10,244,854	43,800,000
Rendering of services	7	4,058,500	3,126,500
Finance income - external investments	8	-	134,768
Other Incomes (Miscellaneous Receipts)	9	2	-
Total Receipts		14,303,356	47,061,268
Payments			
Employee costs	10	7,119,109	6,520,711
Board Expenses	11	4,465,329	9,100,296
Repairs and maintenance	13	117,740	117,740
Use of goods & services	14	5,778,962	11,432,762
Total Payments		17,481,140	27,171,509
Net cash flows from operating activities		(3,177,784)	19,889,759
Working Capital Changes			
Increase/Decrease in payables		70,750	(35,903)
Increase/Decrease in Deferred income		80,000	-
Increase/Decrease in provisions		5,000	5,000
Increase/Decrease in receivables		(50,500)	74,000
Increase/ Decrease in prepayments		(197)	(463,543)
Prior year adjustments/ Remittance to exchequer		-	(20,000,000)
Cash generated from operations	24	105,053	(20,420,446)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	(13,581,480)
Proceeds from sale of property, plant and Equipment		-	-
Decrease /Decrease in non-current receivables		-	-
Increase /Decrease in investments		-	17,000,000
Net cash flows used in investing activities		-	3,418,520
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Increase in deposits		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(3,072,731)	2,887,833
Cash and cash equivalents at 1 July		26,577,244	23,689,410
Cash and cash equivalents at 30 June 2025		23,504,513	26,577,243

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of Utilization
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Government grants and subsidies	30,660,000	(14,835,148)	15,824,852	10,244,854	(5,579,998)	65%
Rendering of services	4,055,000	-	4,055,000	4,058,500	3,500	100%
Finance Income	1,390,000	(1,390,000)	-	-	-	-
Other Income	200,000	(200,000)	-	2	80,002	0%
Total income	36,305,000	(16,425,148)	19,879,852	14,303,356	(5,576,496)	
Expenses						
Compensation of Employees	8,493,446	(1,412,942)	7,080,504	7,119,109	(38,605)	101%
Board Expenses	9,800,000	(5,636,732)	4,163,268	4,465,329	(302,061)	107%
Depreciation and Amortization	2,437,500	-	2,437,500	2,342,622	94,878	96%
Repairs and maintenance	300,000	(182,260)	117,740	117,740	-	100%
Use of goods & services	15,078,750	(8,997,910)	6,080,840	5,778,962	301,878	95%
Total expenditure	36,109,696	(16,229,844)	19,879,852	19,823,762	56,090	
Surplus for the period	195,304	(195,304)	-	(5,520,406)	(5,520,406)	

Budget Notes

1. Finance Income fall short of the budget due to the redemption of all treasury bills due to a cash call to the Exchequer by the National Treasury.
2. Other Incomes were below the budget because other fundraising avenues were not achieved in the current Financial Year.
3. Compensation of employees declined due to the fact that the intended recruitment of additional staff was not successfully implemented in the current financial year.
4. Board expenses was not fully absorbed due to non-payment of honoraria owing to non-gazettement of the chairperson and late appointment of the Board.
5. Depreciation expense is below the budget because the intended partitions and installation of ERP system was not successfully implemented in the current financial year.
6. Repairs and maintenance decline due the efficient use of office equipment.
7. Expenses on use of goods and services are lower than budget due to prudent spending.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the Financial Year ended June 30, 2025

Reconciliation between surplus as per the Budget and surplus as per the Statement of Financial Performance.

	Kshs.
Surplus under statement of financial performance	(5,520,406)
Less: Surplus under the statement of Budgeted and actual amounts	(5,520,406)
Difference	=

19. Notes to the Financial Statements

1. General Information

Registration of Certified Public Secretaries Board (RCPSB) is established and derives its authority and accountability from the Certified Public Secretaries of Kenya Act Cap 534. The Board is wholly owned by the Government of Kenya and is domiciled in Kenya. The principal activity of the Board is to register qualified Secretaries and issue practicing certificates to those registered Secretaries who are eligible to offer services to the public as Certified Public Secretaries of Kenya. The other mandate of the Board is a regulatory role which is to de-register members out of their professional misconduct or any other reason as stipulated in the Certified Public Secretaries of Kenya Act Cap 534, Section 24.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Registration of Certified Public Secretaries Board accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Registration of Certified Public Secretaries Board. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the Certified Public Secretaries of Kenya Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There were no new and amended standards issued in the financial year.

Notes to the Financial Statements (Continued)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 43:	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Impact: There is no impact RCPSB.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Impact: There is no impact RCPSB.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. Impact: There is no impact on RCPSB.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets,

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
Annual Report and Financial Statements
For the Financial Year ended June 30, 2025

	<p>under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>Impact: There will be no impact on RCPSB.</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>Impact: There will be no impact.</p>
<p>IPSAS 47: Revenue</p>	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>Impact: There will be no impact on RCPSB.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>Impact: There will be no impact</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>Impact: There will be no impact on RCPSB.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.

	<p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p>Impact: There will be no impact to RCPSB.</p>
--	---

iii. Early adoption of standards

The RCPSB did not early – adopt any new or amended standards in year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The RCPSB recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the RCPSB and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the RCPSB and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

Notes to the Financial Statements (Continued)

ii) Revenue from exchange transactions

Rendering of services

The RCPSB recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the RCPSB.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the RCPSB's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024-2025 was approved by the National Treasury on 30 June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the RCPSB upon receiving the respective approvals in order to conclude the final budget. Accordingly, the RCPSB recorded additional appropriations of on the 2024-2025 budget following the governing body's approval.

The RCPSB's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

Notes to the Financial Statements (Continued)

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the RCPSB operates and generates taxable income.

Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is

Notes to the Financial Statements (Continued)

probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable RCPSB and the same taxation authority.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

Notes to the Financial Statements (Continued)

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the RCPSB recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the RCPSB. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The RCPSB also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the RCPSB will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the RCPSB. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

h) Research and development costs

The RCPSB expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the RCPSB can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale
- ii) Its intention to complete and its ability to use or sell the asset
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the Financial Statements (Continued)

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The RCPSB determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the RCPSB has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The RCPSB assesses at each reporting date whether there is objective evidence that a financial asset or an RCPSB of financial assets is impaired. A financial asset or a RCPSB of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the RCPSB of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a RCPSB of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization

Notes to the Financial Statements (Continued)

- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The RCPSB determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the RCPSB.

Notes to the Financial Statements (Continued)

k) Provisions

Provisions are recognized when the RCPSB has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the RCPSB expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The RCPSB does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The RCPSB does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the RCPSB in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Nature and purpose of reserves

The RCPSB creates and maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

The RCPSB recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

n) Employee benefits

Retirement benefit plans

The RCPSB provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an RCPSB pays fixed contributions into a separate RCPSB (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The

Notes to the Financial Statements (Continued)

contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

o) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

p) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

q) Related parties

The RCPSB regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the RCPSB, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

r) Service concession arrangements

The RCPSB analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the RCPSB recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the RCPSB also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

s) Cash and cash equivalents

Notes to the Financial Statements (Continued)

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of

changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

t) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the RCPSB's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made: e.g.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The RCPSB based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the RCPSB. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the RCPSB

Notes to the Financial Statements (Continued)

- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- c) The nature of the processes in which the asset is deployed
- d) Availability of funding to replace the asset
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 22.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

6. Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers 2024 - 2025	Prior year 2023- 2024
	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>
National Treasury	10,244,854	-	-	10,244,854	43,800,000
Total	<u>10,244,854</u>	=	=	<u>10,244,854</u>	<u>43,800,000</u>

7. Rendering of services

Description	2024-2025 Kshs	2023-2024 Kshs
Registration	2,830,000	2,138,000
Re-registration	-	60,000
Practicing Certificates	1,210,500	912,500
Certificate replacement	8,000	6,000
Authority to practice	10,000	10,000
Total	<u>4,058,500</u>	<u>3,126,500</u>

8. Finance income - external investments

Description	2024-2025 KShs	2023-2024 KShs
Interest income from Treasury Bills	-	134,768
Discount on T.Bills	-	-
Total finance income – external investments	=	<u>134,768</u>

Notes to the Financial Statements (Continued)

9. Other incomes		
Description	2024-2025	2023-2024
	KShs	KShs
Miscellaneous receipts	2	-
Total Other income	<u>2</u>	<u>=</u>
10. Employee costs		
	2024-2025	2023-2024
	KShs	KShs
Salaries and wages	3,745,920	3,490,080
Employee related costs - contributions to pensions, affordable housing & NITA	553,056	446,171
Travel, motor car, accommodation, subsistence and other allowances	396,000	396,000
Housing benefits and allowances	1,362,000	1,362,000
Extreneous Allowance	84,000	84,000
Medical Insurance	864,133	628,460
Airtime	114,000	114,000
Employee costs	<u>7,119,109</u>	<u>6,520,711</u>
11. Board Expenses		
Description	2024-2025	2023-2024
	KShs	KShs
Chairman's Honoraria	-	-
Airtime- Board Members	-	92,000
Directors' emoluments	3,420,000	5,100,000
Fare refund	2,060	104,298
Medical Cover	272,409	170,544
Board Capacity building	770,860	2,978,254
Board retreat	-	655,200
Total director emoluments	<u>4,465,329</u>	<u>9,100,296</u>

Notes to the Financial Statements (Continued)

12. Depreciation and amortization expense

Description	2024-2025	2023-2024
	KShs	KShs
Property, plant and equipment	2,296,570	506,499
Intangible Asset	46,052	46,052
Total depreciation and amortization	<u>2,342,622</u>	<u>552,551</u>

13. Repairs and maintenance

Description	2024-2025	2023-2024
	KShs	KShs
Website Maintenance	117,740	117,740
Computer & Printer repair	-	-
Total repairs and maintenance	<u>117,740</u>	<u>117,740</u>

14. Use of Goods and Services

Description	2024-2025	2023-2024
	KShs	KShs
Miscellaneous Expenses	55,960	71,860
Hospitality	39,859	112,862
Rental expenses	3,062,500	4,154,179
Audit fees	140,000	135,000
Seminars, Conferences & Workshops	882,740	1,412,192
CPS Plan & Development	75,000	1,000,000
News paper	-	10,260
Transport	43,730	49,430
Postage	6,165	4,000
Printing and stationery	383,349	510,671
Post Box Rental	9,450	9,450
Telecommunication	1,750	5,150
Utilities- Electricity	56,517	-
Staff training and development	380,550	3,048,090
Internet Services	262,661	267,354
Subscriptions to professional bodies	-	30,200
Bank charges	30,695	39,364
Marketing & Public relations	-	572,700
Motor Vehicles operations	348,036	-
Total general expenses	<u>5,778,962</u>	<u>11,432,762</u>

Notes to the Financial Statements (Continued)

15. Cash and cash equivalents

Description	2024-2025 KShs	2023-2024 KShs
Current account (NBK)	23,504,513	26,577,244
Total cash and cash equivalents	<u>23,504,513</u>	<u>26,577,244</u>

16. Receivables from non-exchange contracts

Description	2024-2025 KShs	2023-2024 KSh
Current receivables		
Balance B/d	48,000	122,000
Additions: - Salary advance	261,000	102,000
Amount received:- Salary advance	(210,500)	(176,000)
Total	<u>98,500</u>	<u>48,000</u>

17. Prepayment:

Description:	2024-2025 Kshs	2023-2024 Kshs
Office rent deposit	462,378	462,378
Parking pay deposit	54,000	54,000
Service Charge deposit.	119,198	119,198
Medical cover	542,545	593,997
Motor Vehicle insurance	31,640	-
Internet	20,010	-
Total	<u>1,229,770</u>	<u>1,229,573</u>

18. Property plant and equipment

	Motor Vehicles	Office equipment/ Computers	Furniture and Partitions	Total
Cost	KShs	KShs	KShs	Kshs
At 1 st July 2023	-	-	4,051,991	4,051,991
Additions	12,811,350	527,920	242,210	13,581,480
Disposals/Scrap	-	-	-	-
Transfers				
At 30 th June 2024	12,811,350	527,920	4,294,201	17,633,471
Additions	-	-	-	-
Disposals/Scrap	-	-	-	-
Transfers	-	-	-	-

Notes to the Financial Statements (Continued)

At 30th June 2025	12,811,350	527,920	4,294,201	17,633,471
Depreciation & Impairment				
At 1 st July 2023	-	-	2,532,495	2,532,495
Depreciation for the year	-	-	506,499	506,499
Impairment	-	-	-	-
At 30th June 2024	-	-	3,038,994	3,038,994
Depreciation for the year	1,601,419	158,376	536,775	2,296,570
Disposals/Scrap	-	-	-	-
Impairment	-	-	-	-
At 30th June 2025	1,601,419	158,376	3,575,769	5,335,564
Net Book Values:				
At 30th June 2024	12,811,350	527,920	1,255,207	14,594,477
At 30th June 2025	11,209,931	369,544	718,432	12,297,907

19. Intangible Assets

	Website	Others	Total
	KShs	KShs	KShs
Cost			
At 1 st July 2023	-	-	-
Additions	230,260	-	230,260
Disposals/Scrap	-	-	-
Transfers			
At 30th June 2024	230,260	-	230,260
Additions	-	-	-
Disposals/Scrap	-	-	-
Transfers	-	-	-
At 30th June 2025	230,260	-	230,260
Amortization			
At 1 st July 2023	69,078	-	69,078
Amortization for the year	46,052	-	46,052
At 30th June 2024	115,130	-	115,130
Amortization for the year	46,052	-	46,052
Disposals/Scrap	-	-	-
Transfers	-	-	-
At 30th June 2025	161,182	-	161,182
Net Book Value:			
At 30th June 2024	161,182	-	161,182
At 30th June 2025	69,078	-	69,078

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the Financial Year ended June 30, 2025

Notes to the Financial Statements (Continued)

20. Trade and other payables from exchange transactions		
Description:	2024-2025	2023-2024
	Kshs	Kshs
Other Payables- PAYE	70,750	-
Medical Insurance	-	-
Total	<u>70,750</u>	<u>=</u>
21. Deferred Income	2024-2025	2023-2024
Fees:	Kshs	Kshs
Direct Deposits	80,000	-
Total	<u>80,000</u>	<u>=</u>
22. Current provisions	2024-2025	2023-2024
Audit Fee:	Kshs	Kshs
Balance b/d (1/7/2024)	135,000	130,000
Additional provision	140,000	135,000
Amount cleared	(135,000)	(130,000)
Total	<u>140,000</u>	<u>135,000</u>
23. Reserves	2024-2025	2023-2024
Description:	Kshs	Kshs
Balance as at 1 July	42,429,424	43,092,216
Prior year adjustment/ remittance to exchequer	-	(20,000,000)
Surplus/deficit for the period	(5,520,406)	19,337,208
Total	<u>36,909,018</u>	<u>42,429,424</u>

24. CASH GENERATED FROM OPERATIONS

	NOTES	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments – gifts and services-in-kind	6	10,244,854	43,800,000
Rendering of services	7	4,058,500	3,126,500
Finance income - external investments	8	-	134,768
Other Incomes	9	2	-
Total Receipts		<u>14,303,356</u>	<u>47,061,268</u>
Payments			
Employee costs	10	7,119,109	6,520,711
Board Expenses	11	4,465,329	9,100,296
Repairs and maintenance	13	117,740	117,740
Use of goods & Services	14	5,778,962	11,432,762

Notes to the Financial Statements (Continued)

Total Payments	17,481,140	27,171,509
Net cash flows from operating activities	(3,177,784)	19,889,759
Working Capital Changes		
Increase/Decrease in payables	70,750	(35,903)
Increase/Decrease in Deferred income	80,000	-
Increase/Decrease in Provisions	5,000	5,000
Increase/Decrease in receivables	(50,500)	74,000
Increase/ Decrease in prepayments	(197)	(463,543)
Prior year adjustments/ Remittance to Exchequer	-	(20,000,000)
	105,053	(20,420,446)

25. FINANCIAL RISK MANAGEMENT

The RCPSB activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The RCPSB's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The RCPSB does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The RCPSB's financial risk management objectives and policies are detailed below:

(i) Credit risk

The RCPSB has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the RCPSB's management based on prior experience and their assessment of the current economic environment.

26. FINANCIAL RISK MANAGEMENT (Continued)

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-

Notes to the Financial Statements (Continued)

Receivables from non-exchange transactions	98,500	98,500	-	-
Bank balances	23,504,513	23,504,513	-	-
Total	23,603,013	23,603,013	-	-
As at 30th June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	48,000	48,000	-	-
Bank balances	26,577,244	26,577,244	-	-
Total	26,625,244	26,625,244	-	-

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the RCPSB has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. RCPSB has significant concentration of credit risk on amounts due from banks.

The board of directors sets the RCPSB's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the RCPSB's directors, who have built an appropriate liquidity risk management framework for the management of the RCPSB's short, medium and long-term funding and liquidity management requirements. The RCPSB manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30th June 2025				
Trade payables	-	70,750	-	70,750
Current portion of borrowings	-	-	-	-
Deferred income	-	-	80,000	80,000
Provisions	-	-	140,000	140,000
Employee benefit obligation	-	-	-	-
Total	-	70,750	220,000	290,750
At 30th June 2024				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	135,000	135,000
Employee benefit obligation	-	-	-	-
Total	-	-	135,000	135,000

Notes to the Financial Statements (Continued)

The table above represents cash flows payable by the RCPSB under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

(iii) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the RCPSB on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the RCPSB's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The RCPSB's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the RCPSB's exposure to market risks or the manner in which it manages and measures the risk.

iv). Foreign currency risk

The *Entity* has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency.

27. Interest rate risk

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Financial Risk Management

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The

Notes to the Financial Statements (Continued)

sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

28. Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	36,909,018	42,429,424
Capital Reserve	-	-
Total Funds	36,909,018	42,429,424
Total Borrowings	-	-
Less: Cash and Bank Balances	23,504,513	26,577,244
Net Debt/(Excess Cash And Cash Equivalentents)	-	-
Gearing	0%	0%

29. Related Party Balances

Nature of related party relationships

Entities and other parties related to the Board include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

The Board is related to:

- (i) The Parent Ministry (The National Treasury)
- (ii) Key management;
- (iii) Board of directors;

b) Related party transactions

	2024-2025	2023-2024
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of goods	-	-

Notes to the Financial Statements (Continued)

Sales of services	-	-
Total	-	-

b) Grants from the Government		
Grants from National Govt	10,244,854	43,800,000
Grants from County Government	-	-
Donations in kind	-	-
Total	10,244,854	43,800,000
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for RCPSB employees	4,158,673	3,083,318
Payments for goods and services	5,778,962	11,432,762
Total	9,937,635	14,516,080
d) Key management compensation		
Directors' emoluments	3,420,000	5,100,000
Compensation to the CEO	2,960,436	2,808,933
Compensation to key management	-	-
Total	6,380,436	7,908,933

30. Capital Commitments

Capital Commitments	2024-2025	2023-2024
	Kshs	Kshs
Authorised for ERP System	-	3,000,000
Authorised for Office partitions	-	3,000,000

Notes to the Financial Statements (Continued)

Authorised for motor vehicle acquisition	-	13,000,000
Authorised for computers acquisitions	-	500,000
Authorised for furniture acquisition	-	600,000
Total	-	20,100,000

31. Surplus Remission

Notes to the Financial Statements (Continued)

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The Registration Board remitted Ksh. 20,000,000 to the exchequer in April 2024.

32. Events after the reporting period

There were no material adjusting and non- adjusting events after the reporting period.

33. Ultimate and Holding Board

The Board is a State Corporation under the National Treasury. Its ultimate parent is the Government of Kenya.

34. Currencies

The financial statements are presented in Kenya Shillings (Kshs)

20. Appendices

Appendix 1

The following is a summary of the issues raised by the external auditor and management comments that were provided to the auditor

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status:	Timeframe:
1	Failure to Gazette appointment of the Chairperson and Vice Chairperson of the Board	Follow up has been made with the Appointing Authority, the Cabinet Secretary, The National Treasury and Economic Planning and the Chief of Staff and Head of Public Service. Intervention has also been sought through the Inspectorate of State Corporation which has written to the National Treasury for intervention	Patrick Mulwa, Executive Officer	The gazettelement has not been effected at the time of the Audit and the Board is still waiting for action by the appointing Authority. A comprehensive response is included in the Management Letter reply	This cannot be determined by the RCSPB but the Management will continue engaging with the relevant authorities
2	Lack of an Internal Audit Function	The issue is linked to the understaffing of the RCPSB due to unapproved Human Resource Management Instruments. The RCPSB has an undertaking with the Internal Audit Unit of the parent Ministry to continue providing Internal Audit services to the RCPSB until	Patrick Mulwa, Executive Officer	The RCPSB has requested the Internal Audit Unit of the parent Ministry to continue providing Internal Audit service to the RCPSB until its Human Resource Management Instruments are approved and the RCPSB can recruit an Internal Auditor	The RCPSB is hopeful that this issue will be addressed in the current financial year.


REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

Annual Report and Financial Statements

For the Financial Year ended June 30, 2025

		its Human Resource Management Instruments are approved and the RCPSB can recruit an Internal Auditor			
3	Understaffing	<p>The Management has engaged the Public Service Commission under the Rapid Results Initiative of Human Resource Management Instruments.</p> <p>Intervention has also been sought through the Inspectorate of State Corporation which has written to the National Treasury for intervention</p>	Patrick Mulwa, Executive Officer	The RCPSB Human Resource Management Instruments have been submitted to the Public Service Commission for review and approval. Once approved this will give the RCPSB the authority to recruit and address the staffing issues.	The RCPSB is hopeful that this issue will be addressed in the current financial year.

CHIEF EXECUTIVE OFFICER


.....

DATE: 13/11/2025