

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



**REPORT
OF
THE
AUDITOR-GENERAL**

ON

**FINANCIAL STATEMENTS OF
REGISTRATION OF CERTIFIED PUBLIC
SECRETARIES BOARD FOR THE YEAR
ENDED 30 JUNE 2010**

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2010

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2010

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REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

INFORMATION ABOUT THE BOARD

INTRODUCTION

Registration of Certified Public Secretaries Board is established under the Certified Public Secretaries CPS Act Cap 534 of the laws of Kenya. Under this Act the the mandate of the Board is to register qualified Secretaries and issue practising 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 for in the CPS Act Cap 534 Section 24.

BOARD MEMBERS

Mr. Gilbert O. Otieno	Chairman
Mr. Jackson K. Maingi	Vice Chairman
Mr. Pius M. Nduatih	Member
Mr. Hosea K. Kili	Member
Mr. Charles K. Wachira	Member
Ms. Elizabeth M. Ng'ang'a	Member
Ms. Jane W. Chege	Member
Mrs. Mary A. Oyolla	Member
Mr. George S. Mwosa	Member

REGISTRAR

Mr. Julius M. Kilinda

REGISTERED OFFICE

Treasury Building, 7th Floor,
Harambee Avenue,
P. O. Box 58218 - 00200
Nairobi.

BANKERS

National Bank of Kenya Limited
Harambee Avenue Branch,
P. O. Box 41862 - 00100,
Nairobi.

Standard Chartered Bank Kenya Limited
Harambee Avenue Branch,
P. O. Box 20063 - 00200,
Nairobi.

AUDITORS

Auditor General
P. O. Box 30084 - 00100
Nairobi.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

STATEMENT OF BOARD MEMBERS RESPONSIBILITY

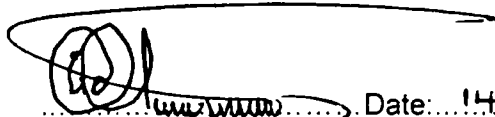
The CPS Act Section 34 requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Board as at the end of each financial year and of the operating results of the Board for that year. It also requires the Board members to ensure that the Board keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board. They are also responsible for safeguarding the assets of the Board.

The Board members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the CPS Act. The Board members are of the opinion that the financial statements give a true and fair view of the state of affairs of the Board and of its operating results. They further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements as well as adequate systems of internal financial controls.

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

Gilbert O. Otieno
[Chairman]

 Date: 14/9/2010

Julius M. Kilinda
[Registrar]

 Date: 14/9/2010



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD FOR THE YEAR ENDED 30 JUNE 2010

I have audited the accompanying financial statements of Registration of Certified Public Secretaries Board set out at pages 3 to 9, which comprise the Statement of Financial Position as at 30 June 2010, the Statement of Comprehensive Income, and the Statement Cash Flows for the year then ended, together with a summary of significant accounting policies and other explanatory information in accordance with the provisions of Section 14 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

Responsibility of the Auditor General

My responsibility is to express an independent opinion on the financial statements based on the audit. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2010

	NOTE	2010 KSHS	2009 KSHS
Income	2	3,246,325	2,287,843
Expenditure	3	<u>(2,060,432)</u>	<u>(1,727,226)</u>
Surplus for the year		<u>1,185,893</u>	<u>560,617</u>

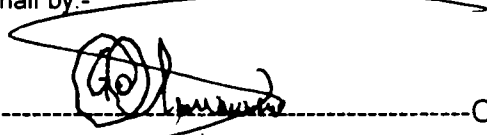

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2010

	Note	2010 Kshs	2009 Kshs
ASSETS			
Non-current assets			
Property and equipment	5	<u>826</u>	<u>1,576</u>
Current assets			
Receivables		-	-
Cash at bank	6	1,694,418	655,522
Treasury Bills	6	5,000,000	5,000,000
Total assets		<u><u>6,695,244</u></u>	<u><u>5,657,098</u></u>
GENERAL FUND AND LIABILITIES			
General Fund	7	6,424,916	5,245,613
Current Liabilities			
Payables	8	270,328	411,485
Total General Fund and Liabilities		<u><u>6,695,244</u></u>	<u><u>5,657,098</u></u>

These financial statements from page 3 to page 9 were approved by the Board on 14/9/2010 and signed on its behalf by:-


 Gilbert O. Otieno-----Chairman

 Julius M. Kflinda-----Registrar

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2010

	2010 Kshs.	2009 Kshs.
Cash generated from operations		
Surplus for the year	1,185,893	560,617
Adjustments for:-		
Depreciation	750	750
Prior period adjustments	(6,590)	-
	<u>1,180,053</u>	<u>561,367</u>
Changes in working capital		
Accounts payable	(141,157)	359,085
Cash flows from operations	<u>1,038,896</u>	<u>920,452</u>
Cash flows from financing activities	-	-
Cash flows from investing activities	-	-
Net movement in cash and cash equivalents	1,038,896	920,452
Cash and cash equivalents at the beginning of the year	<u>5,655,522</u>	<u>4,735,070</u>
Cash and cash equivalents at the end of the year	<u>6,694,418</u>	<u>5,655,522</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

ACCOUNTING POLICIES

FOR THE YEAR ENDED 30TH JUNE 2010

1 Significant accounting policies

a) Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under historical cost convention.

b) Income

This comprises of practising and registration fees received and Grant in Aid received from the Ministry of Finance - Kenya.

c) Inventories

Inventories are valued at the lower of cost and net realizable value

d) Depreciation

Depreciation on furniture and equipment has been provided for on straight line method at the rate of 12.5%

e) Cash and cash equivalents

For the purposes of cash flow, cash and cash equivalents comprise cash at bank and amounts invested in Treasury Bills.

f) Grants

Grants are recognised in the year they are received from the Ministry of Finance.

g) Stationery

Stationeries are expensed after being purchased.

h) Revenue recognition

Revenue is recognised on accrual basis

i) Taxation

The Board is exempted from paying tax on its income.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2010

	2010 Kshs	2009 Kshs
2 INCOME		
Fees (Note 9)	1,695,700	1,449,900
Grant In Aid	1,210,000	500,000
Interest Income	340,625	332,443
Miscellaneous	-	5,500
	<u>3,246,325</u>	<u>2,287,843</u>
3 EXPENDITURE		
Salaries & Staff benefits (Note 10)	1,124,041	611,994
Sitting Allowance	297,000	249,000
Honoraria	240,000	240,000
Office-Tea expenses	64,731	59,434
Printing & Stationery	66,380	72,340
Telephone & Postage	19,200	16,900
Transport	13,800	12,010
Gazettement	21,800	42,224
Newspaper	8,995	-
Staff Token	20,000	-
Audit fees	35,000	35,000
Bank charges	19,105	18,355
Depreciation	750	750
Other Board expenses	4,700	46,000
Miscellaneous expenses	16,530	37,299
CPS Development	100,000	177,000
Refund - ICPSK	8,400	-
Annual Luncheon	-	28,920
Coat of Arms	-	80,000
	<u>2,060,432</u>	<u>1,727,226</u>
4 INTEREST INCOME	<u>340,625</u>	<u>332,443</u>
5 PROPERTY AND EQUIPMENT		
	Furniture & equipment	Furniture & equipment
As at 01.07.2009	29,666	29,666
Additions	-	-
As at 30.06.2010	<u>29,666</u>	<u>29,666</u>
DEPRECIATION		
As at 01.07.2009	28,090	27,340
Charge for the year	750	750
As at 30.06.2009	<u>28,840</u>	<u>28,090</u>
NET BOOK VALUE		
As at 30.06.2010	<u>826</u>	<u>1,576</u>
As at 30.06.2009	<u>1,576</u>	<u>2,326</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2010

	2010 Kshs.	2009 Kshs.
6 CASH AND CASH EQUIVALENTS		
Cash at bank		
Current account	1,341,859	197,329
Savings account	<u>352,559</u>	<u>458,193</u>
	<u>1,694,418</u>	<u>655,522</u>
Short-term deposits (Note 12)	<u>5,000,000</u>	<u>5,000,000</u>
	<u>6,694,418</u>	<u>5,655,522</u>
7 GENERAL FUND ACCOUNT/EQUITY		
		Kshs.
Balance as at 1st July 2008		4,684,996
Add: Surplus for the year		<u>560,617</u>
		5,245,613
Adjustments for:-		
Revenue - Receipt No. 4733 omitted in 2008/2009 FY		6,000
Salaries for 2008/2009 FY not accrued		<u>(12,590)</u>
Balance as at 30th June 2009		<u>5,239,023</u>
Balance as at 1st July 2009		5,239,023
Add: Surplus for the year		<u>1,185,893</u>
Balance as at 30th June 2010		<u>6,424,916</u>
8 PAYABLES AND ACCRUALS		
Audit fees	35,000	35,000
Staff pension - UAP Insurance	35,328	-
Staff salaries & benefits	<u>200,000</u>	<u>376,485</u>
	<u>270,328</u>	<u>411,485</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2010

9 FEES	2010 Kshs.	2009 Kshs.
Fees has been received and included in the accounts as follows		
Practising	804,000	655,200
Registration	768,000	763,200
Re-Registration	55,200	-
Authority to practice renewal	68,500	31,500
	<u>1,695,700</u>	<u>1,449,900</u>

10 SALARIES & STAFF BENEFITS

Basic Pay	695,305	-
House allowance	405,072	-
Pension - Employer contribution	17,664	-
N.S.S.F - Employer contribution	6,000	-
	<u>1,124,041</u>	<u>-</u>

11 TREASURY BILLS

The Board invested in short-term deposits in form of Treasury Bills with the Central Bank of Kenya amounting to Kenya Shillings Five Million (KShs 5,000,000/=) Only

12 CURRENCY

The financial statements are presented in Kenya Shillings (Kshs)

13 STAFF MEMBERS

The Board had three (3) members of Staff as at 30th June, 2010