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KENYA NATIONAL AUDIT OFFICE



**REPORT
OF
THE CONTROLLER
AND AUDITOR-GENERAL**

ON

**THE FINANCIAL STATEMENTS OF
REGISTRATION OF CERTIFIED PUBLIC
SECRETARIES BOARD FOR THE YEAR
ENDED 30 JUNE 2006**

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2006

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

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KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD FOR THE YEAR ENDED 30 JUNE 2006

I have audited the financial statements of Registration of Certified Public Secretaries Board for the year ended 30 June 2006 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. The financial statements are in agreement with the books of account.

Respective Responsibilities of the Board and the Controller and Auditor General

The Board is responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Board and of its operating results. My responsibility is to express an independent opinion on the financial statements based on my audit.

Basis of Opinion

The audit was conducted in accordance with the International Standards on Auditing. Those standards require 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 includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by the Board as well as an evaluation of the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

Opinion

In my opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of affairs of the Board as at 30 June 2006 and of its surplus and cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with Certified Secretaries Act, Cap 534 of the Laws of Kenya

A handwritten signature in black ink, appearing to read 'P.N. Komora'.

P.N. KOMORA
CONTROLLER AND AUDITOR GENERAL

Nairobi

22 January 2007

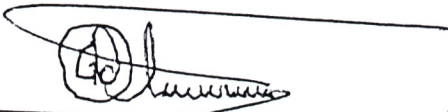
REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 INCOME STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2006

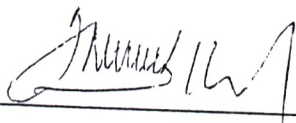
	Note	2006 Kshs	2005 Kshs
Income	1	1,483,900	1,686,300
Expenditure	11	<u>1,298,672</u>	<u>1,199,226</u>
Surplus from operations		185,228	487,074
Finance income	2	<u>3,794</u>	<u>38,373</u>
Surplus for the year	8	<u>189,022</u>	<u>525,447</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 BALANCE SHEET
 AS AT 30 JUNE 2006

	Note	2006 Kshs	2005 Kshs
ASSETS			
Non-current Assets			
Property & equipment	3	<u>3,826</u>	<u>881</u>
CURRENT ASSETS			
Inventories	4	101,478	130,495
Receivables	5 & 14	66,622	57,604
Cash and cash equivalents	6	<u>2,938,389</u>	<u>2,682,363</u>
Total Assets		<u>3,106,489</u>	<u>2,870,462</u>
		<u>3,110,315</u>	<u>2,871,343</u>
GENERAL FUND AND LIABILITIES			
General Fund	8	3,000,365	2,811,343
Current liabilities			
Payables	7 & 13	<u>109,950</u>	<u>60,000</u>
Total General Fund and Liabilities		<u>3,110,315</u>	<u>2,871,343</u>

These financial statements were approved by the Board on 8-12- 2006 and signed on its behalf by:-


 _____ Chairman


 _____ Board member/Registrar

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 CASH FLOW STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 Kshs	2005 Kshs
Cash generated from operations	10	(140,073)	<u>26,724</u>
Net cash flow from financing activities			
Grant in aid – GOK		<u>396,000</u>	<u>396,000</u>
Net cash flow from Investing activities			
Purchase of furniture and fittings		(3,695)	
Interest		<u>3,794</u>	<u>38,373</u>
Net cash flow from investing activities		<u>99</u>	<u>38,373</u>
Net movement in cash and cash equivalents		256,026	461,097
Cash and cash equivalent as at the beginning of the year		<u>2,682,363</u>	<u>2,221,266</u>
Cash and cash equivalents as at the end of the year	6	<u>2,938,389</u>	<u>2,682,363</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2006

a) Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards.

b) Income

This comprises of Practising and Registration fees received and Grant in Aid received from the Government of Kenya.

c) Stocks

Stocks, which consists of unused stamps and stationery, have been valued at cost.

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 equivalent

For the purposes of cash flow statement, cash and cash equivalent comprise cash in bank.

f) Grants

Grants are recognized in the year they are received from Treasury (Ministry of Finance).

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2006

	2006 Kshs		2005 Kshs
1. INCOME			
Fees (Note 9)	1,081,400		1,283,700
Grant in Aid GOK	396,000		396,000
Miscellaneous	<u>6,500</u>		<u>6,600</u>
	<u>1,483,900</u>		<u>1,686,300</u>
2. FINANCE INCOME			
Interest	<u>3,794</u>		<u>38,373</u>
3. FIXED ASSETS			
	Furniture & fittings	Equipment	Total
	Kshs	Kshs	Kshs
COST			
As at 1.7.2005	25,971	155,635	181,606
Additions	<u>3,695</u>	<u>-</u>	<u>3,695</u>
As at 30.6.2006	<u>29,666</u>	<u>155,635</u>	<u>185,301</u>
DEPRECIATION			
As at 1.7.2005	25,090	155,635	180,725
Charge for the year	<u>750</u>	<u>-</u>	<u>750</u>
As at 30.6.2006	<u>25,840</u>	<u>155,635</u>	<u>181,475</u>
NET BOOK VALUE			
As at 30.6.2006	<u>3,826</u>	<u>-</u>	<u>3,826</u>
As at 30.6.2005	<u>881</u>	<u>-</u>	<u>881</u>
4. INVENTORIES			
General Stationery stocks		<u>101,478</u>	<u>130,495</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 30 JUNE 2006

	2006 Kshs	2005 Kshs
5. RECEIVABLES		
From operations	15,618	15,618
Others	<u>51,004</u>	<u>41,986</u>
6. CASH AND CASH EQUIVALENTS	<u>66,622</u>	<u>57,604</u>
Cash in bank		
Current account	699,721	843,189
Savings accounts	<u>2,238,668</u>	<u>1,839,174</u>
	<u>2,938,389</u>	<u>2,682,363</u>
	2006 Kshs	2005 Kshs
7. PAYABLES	<u>109,950</u>	<u>60,000</u>
8. GENERAL FUND ACCOUNT		
Balance brought forward	2,811,343	2,283,896
Prior year adjustments	-	2,000
Add: Surplus for the year	<u>189,022</u>	<u>525,447</u>
Balance carried forward	<u>3,000,365</u>	<u>2,811,343</u>
9. FEES		

Fees have been received and included in the accounts as follows:

	2006 Kshs	2005 Kshs
Practising	386,400	428,400
Registration	660,000	784,800
Authority to practice Renewal	<u>35,000</u>	<u>70,500</u>
	<u>1,081,400</u>	<u>1,283,700</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 NOTES TO THE FINANCIAL STATEMENTS(Continued)
 FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 Kshs	2005 Kshs
10.			
CASH GENERATED FROM OPERATIONS			
Surplus for the year		189,022	525,447
Adjustment for:-			
Depreciation		750	7,138
Prior year adjustment		-	2,000
Grant in Aid		(396,000)	(396,000)
Interest		(3,794)	(38,373)
Changes in working capital			
Prepayments		-	5,000
Inventories		29,017	(48,849)
Accrued interest		-	3,439
Accounts receivable		(9,018)	11,867
Accounts payable		<u>49,950</u>	<u>(44,945)</u>
Cash generated from operations		<u>(140,073)</u>	<u>26,724</u>
11.			
EXPENDITURE			
Printing & stationery		112,302	100,658
Salaries & staff benefits		467,520	487,893
Transport		6,585	9,610
Postage		20,717	3,700
Board expenses		28,291	37,192
Audit fees – Auditor general		35,000	35,000
Accountancy fees		30,000	27,400
Honoraria		157,600	159,000
Bank charges		14,292	19,030
Training and development		8,000	12,500
Depreciation		750	7,138
Annual luncheon		16,872	42,384
Members sitting allowance		213,450	161,000
Miscellaneous expenses		101,203	71,721
CPS Development		14,390	-
Donations		69,000	25,000
Temporary secretarial services		<u>2,700</u>	<u>-</u>
		<u>1,298,672</u>	<u>1,199,226</u>
12.			
SALARIES AND STAFF BENEFITS			

The expenses relating to salaries and staff benefits have been apportioned between Registration of Accounts Board and Registration of Certified Public Secretaries Board (RCPSB), in the ratio 5180:2076 respectively based on applications received by the respective Boards as at the end of the financial year (2005 ratio of 4311:1855)

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 30 JUNE 2006

	2006 Kshs	2005 Kshs
13. PAYABLES & ACCRUALS		
Accountancy fees	35,000	25,000
Withholding tax on members' sitting allowances	4,950	-
Audit fees (Auditor general)	<u>70,000</u>	<u>35,000</u>
	<u>109,950</u>	<u>60,000</u>
14. RECEIVABLES		
Unaccounted imprest b/f	486	486
Unaccounted imprest 2005/2006	18	-
G. Kituri (B/f)	40,500	40,500
Nzola	<u>9,000</u>	-
Unremitted Easter advance – RAB	1,000	1,000
Withholding tax balance	<u>15,618</u>	<u>15,618</u>
Total receivables	<u>66,622</u>	<u>57,604</u>

