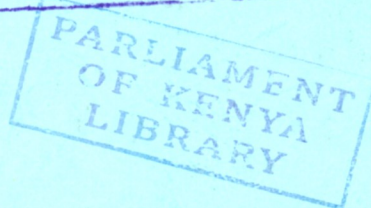




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Report of the  
 Controller and Auditor-General  
 on the  
 Financial Statements  
 of the  
 Registration of Certified Public  
 Secretaries Board  
 for the  
 Year Ended 30th June, 2005



**REPORT OF THE CONTROLLER AND AUDITOR-GENERAL ON  
THE FINANCIAL STATEMENTS OF THE REGISTRATION OF  
CERTIFIED PUBLIC SECRETARIES BOARD FOR THE YEAR  
ENDED 30TH JUNE, 2005**

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
30 JUNE 2005

SCI KOIMBURI TUCKER & CO.

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

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REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

## 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 2005

I have audited the financial statements of Registration of Certified Public Secretaries Board for the year ended 30 June 2005 in accordance with the provisions of Section 14 of 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 Members and Controller and Auditor General**

The board members are responsible for the preparation of financial statements which give a true and fair view of the board's state of financial affairs 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 members, as well as 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 the financial affairs of the Board as at 30 June 2005 and of its surplus and cash flow for the year then

ended in accordance with International Financial Reporting Standards and comply with Certified Secretaries Act, Cap 534 of the Laws of Kenya.

*P.N. Komora*

**P.N. KOMORA**  
**CONTROLLER AND AUDITOR GENERAL**

Nairobi

09 August 2006

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2005


	Note	2005 Kshs	2004 Kshs
Income	1	1,686,300	1,501,600
Expenditure	11	<u>1,199,226</u>	<u>1,047,104</u>
Surplus from operations		487,074	454,496
Finance income	2	<u>38,373</u>	<u>15,125</u>
Surplus for the year	9	<u>525,447</u>	<u>469,621</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
BALANCE SHEET  
AS AT 30 JUNE 2005

ASSETS	Note	2005 Kshs	2004 Kshs
Non-current Assts			
Property & Equipment	3	<u>881</u>	<u>8,019</u>
CURRENT ASSETS			
Prepayment – Honoraria		-	5,000
Inventories	4	130,495	81,646
Receivables	5	57,604	69,471
Interest accrued on treasury bills		-	3,439
Cash and cash equivalents	6	<u>2,682,363</u>	<u>2,221,266</u>
		<u>2,870,462</u>	<u>2,380,822</u>
Total Assets		<u>2,871,343</u>	<u>2,388,841</u>
GENERAL FUND AND LIABILITIES			
General Fund	8	2,811,343	2,283,896
Current Liabilities:			
Payables	7	<u>60,000</u>	<u>104,945</u>
Total General Fund and Liabilities		<u>2,871,343</u>	<u>2,388,841</u>

These financial statements were approved by the Board on 23<sup>rd</sup> Jan. 2006 and signed on its behalf by:

  
CHAIRMAN

  
BOARD MEMBER

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
 CASH FLOW STATEMENT  
 FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 Kshs	2004 Kshs
Cash generated from operations	9	<u>26,724</u>	<u>121,452</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 fixed assets		-	(1,051)
Interest		<u>38,373</u>	<u>15,125</u>
Net cash flow from investing activities		<u>38,373</u>	<u>14,074</u>
Net movement in cash and cash equivalents		461,097	531,526
Cash and cash equivalent as at the beginning of the year		<u>2,221,266</u>	<u>1,689,740</u>
Cash and cash equivalents as at the end of the year	5	<u>2,682,363</u>	<u>2,221,266</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2005

- a) Basis of accounting  

These accounts have been prepared in accordance to the International Accounting Standards under the historical cost convention.
- b) Revenue Recognition  

Practicing and Registration fees are treated as income in the year received.
- 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 balance method at the rate of 20%.
- e) Cash and cash equivalent  

For purposes of cash flow statement, cash and cash equivalent comprise cash at bank, cash in hand and short term Treasury bills.
- 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 2005

	2005 Kshs		2004 Kshs
1. INCOME			
Fees (Note 8)	1,283,700		1,102,000
Grant in Aid GOK	396,000		396,000
Miscellaneous	<u>6,600</u>		<u>3,600</u>
	<u>1,686,300</u>		<u>1,501,600</u>
2. FINANCE INCOME			
Interest	<u>38,373</u>		<u>15,125</u>
3. PROPERTY AND EQUIPMENT			
	Furniture & fittings	Equipment	Total
	Kshs	Kshs	Kshs
COST			
As at 1.7.2004	25,971	155,635	181,606
As at 30.6.2005	<u>25,971</u>	<u>155,635</u>	<u>181,606</u>
DEPRECIATION			
As at 1.7.2004	24,715	148,872	173,587
Charge for the year	<u>375</u>	<u>6,763</u>	<u>7,138</u>
As at 30.6.2005	<u>25,090</u>	<u>155,635</u>	<u>180,725</u>
NET BOOK VALUE			
As at 30.6.2005	<u>881</u>	-	<u>881</u>
As at 30.6.2004	<u>1,256</u>	<u>6,763</u>	<u>8,019</u>
4. INVENTORIES			
General Stationery Stocks		<u>130,494.95</u>	<u>81,646</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 FOR THE YEAR ENDED 30 JUNE, 2005

	2005 Kshs	2004 Kshs
5. RECEIVABLES		
From operations	15,618	19,971
Others	<u>41,986</u>	<u>49,500</u>
	<u>57,604</u>	<u>69,471</u>
6. CASH AND CASH EQUIVALENTS		
* Treasury bills 91 days	-	1,042,365
Cash in bank		
Current account	843,189	326,711
Savings accounts	<u>1,839,174</u>	<u>852,190</u>
	<u>2,682,363</u>	<u>2,221,266</u>
* These comprise the amounts placed with Central Bank of Kenya through Standard Chartered Bank		
	2005 Kshs	2004 Kshs
7. PAYABLES	<u>60,000</u>	<u>104,945</u>
8. GENERAL FUND ACCOUNT		
Balance brought forward	2,283,896	2,283,896
Prior year adjustments	2,000	(10,000)
Add: Surplus for the year	<u>525,447</u>	<u>469,621</u>
Balance carried forward	<u>2,811,343</u>	<u>2,283,896</u>
9. FEES		
Fees have been received and included in the accounts as follows:		
	2005 Kshs	2004 Kshs
Practising	428,400	336,000
Registration	784,800	714,000
Authority to practice Renewal	70,500	37,000
Trade licence revenue	<u>-</u>	<u>15,000</u>
	<u>1,283,700</u>	<u>1,102,000</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
 NOTES TO THE FINANCIAL STATEMENTS(Continued)  
 FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 Kshs	2004 Kshs
10. CASH GENERATED FROM OPERATIONS			
Surplus for the year		525,447	469,621
Adjustment for:-			
Depreciation		7,138	7,197
Prior year adjustment		2,000	(10,000)
Grant in Aid		(396,000)	(396,000)
Interest		(38,373)	(15,125)
Changes in working capital			
Prepayments		5,000	(5,000)
Inventories		(48,849)	12,480
Accrued interest		3,439	3,611
Accounts receivable		11,867	406
Accounts payable		(44,945)	54,262
Cash generated from operations		<u>26,724</u>	<u>121,452</u>
11. EXPENDITURE			
Printing & stationery		100,658	113,866
Salaries & staff benefits	11	487,893	433,533
Transport		9,610	10,100
Postage		3,700	3,700
Board expenses		37,192	35,794
Audit fees – Auditor general		35,000	35,000
Accountancy fees		27,400	17,400
Honoraria		159,000	107,500
Bank charges		19,030	15,385
Training and development		12,500	4,711
Depreciation		7,138	7,197
Annual luncheon		42,384	31,310
Members sitting allowance		161,000	126,500
Miscellaneous expenses		71,721	34,869
Telephone		-	12,650
Newspapers		-	9,835
CPS Development		-	36,500
Donations		25,000	-
Computer services		-	1,504
Temporary secretarial services		-	9,750
		<u>1,199,226</u>	<u>1,047,104</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 4311:1855 respectively based on applications received by the respective Boards as at the end of the financial year (2004 ratio of 3946:1743)

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 AS AT 30 JUNE 2005

		2005 Kshs	2004 Kshs
13.	PAYABLES & ACCRUALS		
	Shared costs (Salaries/benefits) RAB	-	11,183
	Sitting allowance	-	38,000
	Shared costs training (RAB)	-	4,711
	Accountancy fees	25,000	15,000
	Shared cost, furniture & fittings (RAB)	-	1,051
	Audit fees (Auditor general)	<u>35,000</u>	<u>35,000</u>
		<u>60,000</u>	<u>104,945</u>
13.	RECEIVABLES		
	Shared costs (computer services)	-	3,496
	Unaccounted imprest	486	
	Shared costs (Salaries and staff cost benefits RAB)	-	857
	Staff advance		
	G. Kituri (B/f)	10,500	
	“	<u>30,000</u>	<u>40,500</u>
	Unremitted staff advance – RAB	-	8,000
	Unremitted Easter advance – RAB	1,000	1,000
	Withholding tax balance	<u>15,618</u>	<u>15,618</u>
	Total receivables	<u>57,604</u>	<u>69,471</u>

REGISTRATION OF CERTIFIED PUBLIC SECRETARIES BOARD  
 TRIAL BALANCE - 30 JUNE 2005

	DR	CR
Furniture & Fitting	25,971.00	
Equipment	155,635.00	
Inventories	130,495.45	
Receivables	57,604.00	
Bank: Current Account	843,189.00	
Bank: Savings Account	1,839,174.00	
Treasury Bills - Interest		38,373.25
Payables		60,000.00
Cummulative Dep. Furniture & Fittings		24,715.00
“ “ Equipment		148,872.00
General Fund Account		2,283,896.00
Honoraria	159,000.00	
Practising Fees		428,400.00
Registration Fees		784,800.00
Authority Renewal Fees		70,500.00
Sitting Allowance	161,000.00	
Printing & Stationery	100,658.00	
Bank Charges	19,030.00	
Donations	25,000.00	
Miscellaneous Income		6,600.00
Staff Training & Development	12,500.00	
Prior year Adjustment		2,000.00
Annual Luncheon	42,383.80	
Miscellaneous Expenses	71,721.00	
Postage	3,700.00	
Grant In Aid		396,000.00
Board's Refreshments	37,192.00	
Transport	9,610.00	
Audit Fees	35,000.00	
Accountancy fees	27,400.00	
Salaries & Staff Benefits	487,893.00	
	<u>4,244,156.25</u>	<u>4,244,156.25</u>

