

COMPLIANCE WITH NGO BOARD AND OTHER EMERGING ISSUES

TAX MANAGEMENT FOR NPOs 11 -12 MAY 2017

CPA Evaline Otindo

Contents

- Definition
- Functions of the Board
- Registration requirements
- Replacement of lost certificates
- Re-registration
- Change of bank account signatories/name
- Change of name, RDC
- Filing annual returns
- Emerging issues/challenges



NGOs CO-ORDINATION BOARD

- *The Non-Governmental Organizations Co-ordination Board is a State Corporation established by the Non-Governmental Organizations Co-ordination Act (Cap 19) of 1990. The Board has the responsibility of regulating and enabling the NGO sector in Kenya. The NGOs Co-ordination Board started its operations in 1992 under the Ministry of State in the Office of the President. The Board is currently under the Ministry of Interior and Coordination of National Government.*



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OUR MANDATE

To maintain the register of National and International NGOs operating in Kenya, with the precise sectors, affiliations and locations of their activities.

To receive and discuss the annual reports of NGOs.

To advise the government on the activities of the NGOs and their role in National Development within Kenya.



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Functions of the NGO Board

- Maintain the register of National and International NGOs operating in Kenya
- Receive and discuss the annual reports of NGOs.
- Advise the government on the activities of the NGOs and their role in National Development within Kenya.
- Conduct a regular review of the NGO register
- Provide policy guidelines to the NGOs for harmonizing their activities to the National Development Plan for Kenya.
- Develop and publish a code of conduct for the regulation of NGOs and their activities in Kenya.
- Prescribe rules and procedures for the audit of the accounts of NGOs.

Registration requirements

- Reserve name by filling in [Form 2](#) upon payment of Kes.1000/=.
- Duly filled [Form 3 \(two copies\)](#) in original Forms providing Information on contact details of the proposed organization, details of the 3 top officials, the charitable objective of the organization and list of other board members.
- Duly filled [form 1](#) stating the organizations contact person.
- Form 1 and [Form 3](#) are issued upon payment of Kes.400/= (all downloaded forms 1 & 3 shall only be accepted upon payment of Kes.400/=)
- Two collared passport size photographs on a white background (2 by 2 inches) of the proposed 3 officials and two other board members with their names and organization written at the back
- Copy of ID/Passport and KRA PIN Certificates for the 5 proposed officials and Board members

Registration requirements

contd

- .At least One third (1/3) of all the board members MUST be Kenyan for all foreign based NGOs.
- Submit a Copy of a valid police clearance (certificate of Good Conduct including the finger prints and receipts) for Kenyans and equivalent notarised clearance certificate for Foreign from their Country of Origin(MUST not be more than six (6) months Old).
- Constitution of the proposed NGO/INGO it must be signed by both the proposed three(3) officials and the two (2) board members(Two(2) copies must be submitted)
- Minutes authorizing the filling of the application with a specific agenda and resolution to register the organization as an NGO with the NGOs Board. Election of the interim officials MUST form part of the Agenda.
- A Processing fee of KSH. 16,000/= for national NGOs and KSH.30,000/= for International NGOs

Other documents for registration

- .A proposed one year budget
- Forwarding letter
- ORIGINAL signatures of the officials and members as applicable
- Typed or block letters.

Replacement of lost certificate

- Board minutes stating the reason for replacement
 - A police abstract
 - An advertisement be place in the local dailies (4cm x 1 column)

RE – REGISTRATION REQUIREMENTS

- 1. Application letter to the Executive Director requesting for reinstatement
- 2. Minutes signed by the officials on record, of the organization. The minutes must have a specific resolution to seek reinstatement of the deregistered NGO
- 3. Surrender old registration certificate for cancellation
- 4. Pay a penalty of Kes. 25,000/= for late filling of annual returns
- 5. Pay Kes.10,000/= for issuance of a new registration certificate
- 6. Submission of all outstanding annual returns
- 7. Payment of a filling fee of Kes.20,000/= for each year of the outstanding returns

CHANGE OF BANK ACCOUNT SIGNATORIES

- Letter requesting for the same, specifying the bank and branch
- Submit a copy of the minutes authorizing the change of account signatories signed by bonfire officials. (the minutes should be submitted within 14 days of the date of the meeting)
- Processing of Kes.4,000/

CHANGE OF NAME OF AN NGO

- .Formal application addressed to the Executive Director seeking for consent, signed by the three registered officials of the organization
- Fill in a name reservation form (form 2)
- Application should state proposed changes and give reasons for the change
- Submit the minutes of the meeting proposing the change of name
- Application should be brought within 14 days from the date of the meeting
- A processing fee of Kes.27,200/= for International NGOs and Kes.12,500/= for local NGOs
- Advertisement in the local dailies informing the general public of the intended change
- Provide an amended copy of the constitution showing the new name
- . All signatures must be originals, scanned copies will not be accepted

WORK PERMITS/SPECIAL PASS RECOMMENDATIONS

- Letter addressed to the Executive Director requesting for recommendation letter
- 2. Endorsement form (download at www.ngobureau.or.ke)
- 3. Duly filled application forms 26 or 3 and form 22 from immigration department
- 4. Letter of appointment/Contract from employer
- 5. Copies of applicants certificate
- 6. Applicants detailed curriculum vitae
- 7. Copy of applicants passport
- 8. One passport size photograph of the applicant

WORK PERMITS/SPECIAL PASS RECOMMENDATIONS

9. Copy of advertisement in one of the widely circulated newspapers in the Kenya of the required position

10. Processing fee as follows;

i. New applications for work permit Kes. 20,000/=

ii. Renewal of Work Permit Kes. 20,000/=

iii. Special Pass Kes.16,000/=

iv. Appeal Kes. 16,000/=

NOTE: All documents must be submitted in duplicate

CHANGE OF OFFICIALS

- Letter addressed to the Executive Director requesting for the change of name
 2. Duly filled form 3 signed by the incoming officials
 3. Duly filled form 13 signed by both incoming and outgoing officials
 4. Minutes of the meeting authorizing the change of office bearers
 5. 2 passport size photographs of the incoming official/s
 6. Copy of ID/Passports of the incoming officials

SUBMISSION OF ANNUAL RETURNS

- Letter addressed to the Executive Director submitting the returns
 2. Duly filled form 14
 3. Audited Accounts for organizations with a budget of over Kes. 1 Million
 4. Kes. 2000/= annual returns submission fee

LETTERS OF RECOMMENDATION

- Are free of charge
- A Letter addressed to the Executive Director requesting for the recommendation letter

RESOURCE DEVELOPMENT CENTRE (RDC)

- Established under Section 9 of the NGO Act.
- Aim is to provide quality information.
- This is done through Media Alerts and other information based on their stated areas of Interest.
- To become a member one –an NGO has to make a formal application...
- Question- does it work?

ANNUAL RETURNS

- The requirement to submit annual returns (AR) is articulated in section 24 of the NGOs Regulations 1992. Each NGO is encouraged to submit annual returns 3 months after the end of their financial year on [Form 14 \(F-14\)](#) which is the statutory form set out for the same.

Most NGOs have the financial year end as at December and so the deadline is 31 March 2017.

PROCESS OF SUBMITTING RETURNS

- . Letter addressed to the Executive Director submitting the returns
- Duly filled [Form 14 \(F-14\)](#)
- Audited Accounts for organizations with a budget of over Kes. 1 Million. Audits should be conducted by registered accounting firms' i.e. as approved by ICPAK
- Kes. 2000/= annual returns submission fee

Annual returns on time....



How you feel

That feeling when you have filed the returns on time

PENALTIES FOR NON-SUBMISSION

- The penalty is KSh 25,000

THANKS FOR SUBMITTING YOUR
ANNUAL RETURNS ON TIME

31 03 17

CLOSED

Financial Year
January -December
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Tel: 020 2214044 Email: info@ngobureau.or.ke www.ngobureau.or.ke

EMERGING TRENDS IN NGOS



EMERGING TRENDS IN NGOs

High Court Judge Odunga reinstates Fazul Mohammed as NGO Boss on 24 Oct 2016

EMERGING TRENDS IN NGOs IN KENYA

- Lack of autonomy
- Government interference
- Absence of internal democratic institutions
- Financial problems
- PBO Act 2013
- Continued scrutiny funds with the new CBK regulations of monitoring of financial flows
- Political interference and competition from political NGOs
- Increased capacity building by the NGO Board

Questions



Thank You

CPA Evaline Otindo

apotaa@gmail.com

Tel 0723453846