



Confident To Bounce Back!

Annual Report 2017





Foreword

The year 2017 turned out to be quite an eventful one, both for the Institute, the business world and the country at large. From an Institute's perspective, the year started with a substantially completed CPA Centre building that was already being let out and the business was promising. However, by end of quarter one, the business landscape started to tilt as political activities began to take shape in the run up to 2017 general elections. Most of business activities significantly reduced as they gave way to the intensified political events that characterized the remaining part of the year.

Despite these, the Institute weathered the storm to record better performance than the previous year. This emanated from the great support that the Institute received from the members and other partners, coupled with a dedicated workforce.

The Institute further realised great milestones in its various spheres. First, the Institute registered up to 70

percent uptake of CPA Centre building mainly by business corporates. Secondly, the Institute realised a 18.3 Million surplus during the year. This demonstrates the Institute's resilience amid a difficult economic period.

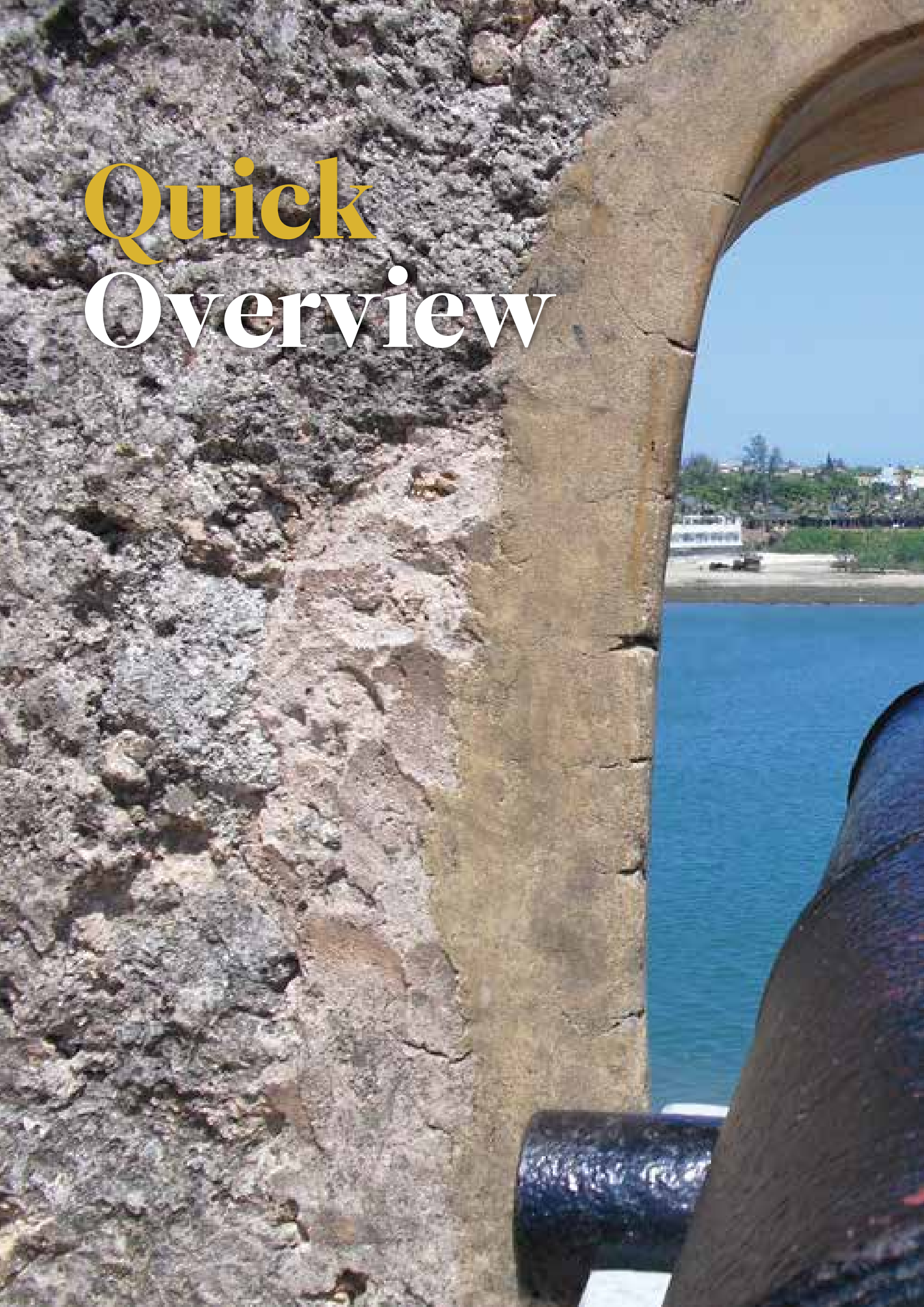
ICPAK looks forward to 2018 as a year of rebound with a stable political environment. As the proverbial saying that life begins at 40, ICPAK turns 40 years in 2018 since its establishment in 1978. As such, great milestones are set to be achieved during the year and beyond. A greater uptake of CPA Centre building is expected by corporates and SMEs. Greater participation of members and other partners to our CPD training events is expected. In addition, the Institute is rolling out online trainings to reach out and serve members in a better way. The culmination of these and other initiatives are expected to increase Institute's financial sustainability.

These and more are presented in details in the subsequent sections of this Annual Report.

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Quick Overview



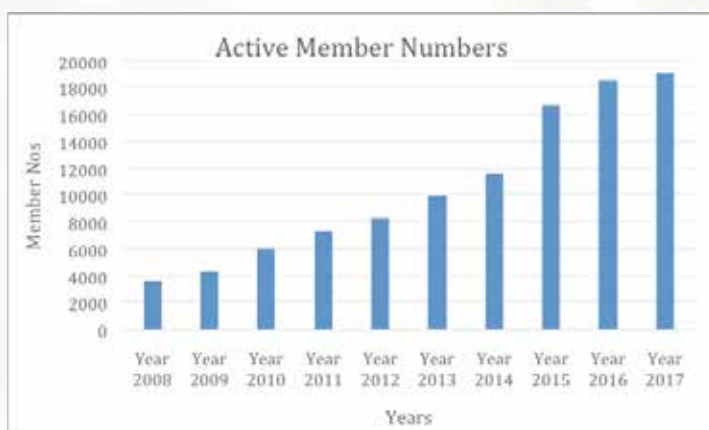


Fort Jesus, Mombasa

1.

Growing Professional Membership

In the year under review, the Institute continued to achieve its mandate of expanding membership. The year saw a total of 1,642 members being admitted into the profession with the total membership increasing to 19,153.



2.

Total Revenue Trend

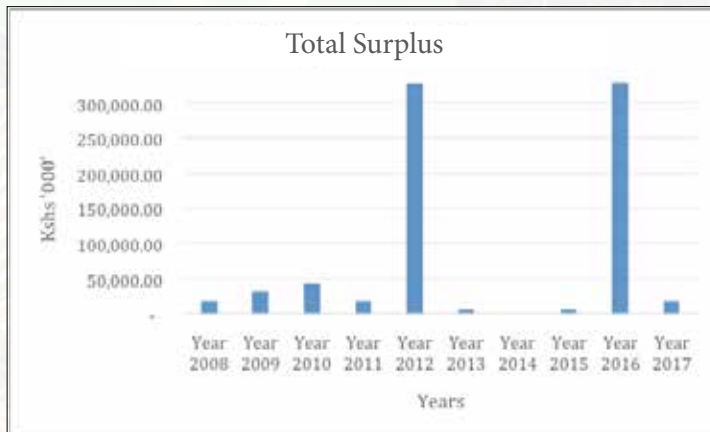
During the year, the Institute achieved a total revenue of Ksh 658.2 million up from Ksh 604.8 million in the previous year. Subscriptions and CPD still remain the main revenue streams contributing 29% and 61% respectively of the total revenue.



3.

Surplus Perspective

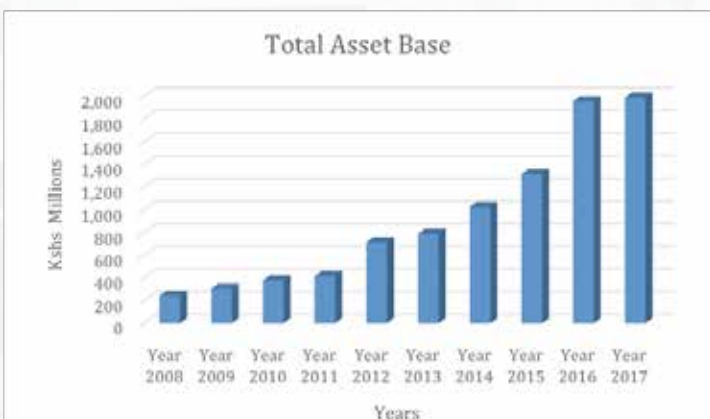
In the year 2017 a surplus of Ksh18.3 million was realised. This was attributed to the good stewardship, consistent membership growth, diversification of revenue and prudent financial management. These enabled the Institute to effectively implement its investment strategies without compromising on its financial position.



4.

Total Assets

The Institute realised growth in its total assets with the CPA Centre building being its major asset.



5.

CPD Trainings

As its mainstay, the Institute organizes CPD trainings all year round. The CPD trainings are necessary in maintaining the already high reputation of the profession, and to protect public interest. The Institute conducted over 200 CPD events during the year with attendance growth of 23% from 2016.



Delegates and speakers attending the 2nd edition of UK Chapter Annual Seminar

6.

National Presence

The Institute has remained vigilant and true to its mandate of advising on financial accountability. Through thought leadership, the Institute engaged with the county and national governments, parliament, accountability institutions and the media on matters of public interest.



(Third from right) ICPAK Chairman FCPA Julius Mwatia, (Second from right) ICPAK Vice Chairman CPA Rose Mwaura and CPA Edwin Makori (Fourth from right) among other officials at a press conference

7.

Global Leadership

The Institute is a member of both International Federation of Accountants (IFAC) and Pan-African Federation of Accountants (PAFA). As such, the Institute prides itself as a key contributor to events and activities of IFAC and PAFA. In the year 2017, the Institute had representatives in the IFAC board and Committees namely; International Accounting Educational Standards Board (IAESB), Small and Medium Practices (SMP) Committee and IFAC Nominating Committee. The Institute also had representatives in the PAFA board. As a confirmation of the Institute's leadership role within the region, IFAC granted ICPAK and ACCA a consultancy to help other

Public Accounting Organisations (PAOs) in Africa to improve their ICT infrastructure. In its endeavour to maintain its global leadership and in line with its vision to be a World Class Professional Accountancy Institute, ICPAK continued to engage other global institutions for MRA and MoUs.



SAICA CEO Dr. Terrence (left) and ICPAK CEO CPA Edwin Makori (right) sign a Mutual Recognition Agreement (MRA)

8.

Accountancy Professional Regulation

As the governing body, the Institute has a responsibility to promote, review and enforce high standards of service and performance. The Institute assists members to attain professional requirements and meet their compliance obligations, through training on Professional Development, Audit Quality Assurance (AQA) and Disciplinary Process.



9.

People

The profession endeavours to have a positive social impact through its commitment to serving the people's interest. This is driven by the Institute appreciation of the environment. In the year under review, the Institute continued to support various CSR activities such as scholarships to needy students, participating in environmental conservation efforts and donation to deserving institutions.



ICPAK members donating food stuff to young disabled women at Shanzu Transitional Workshop in Mombasa

10.

Institutional Strengthening

The Institute continues to invest in its human capital through capacity building. This has been achieved through vigorous training programs to management and staff. Consequently, it has enabled the Institute to effectively and efficiently serve its members and other stakeholders.



Newly recruited members follow proceedings at an inaugural event





Key Highlights



About Us

Institute of Certified Public Accountants of Kenya (ICPAK)

The Institute of Certified Public Accountants of Kenya (ICPAK) is the statutory body of Accountants established in 1978 and draws its mandate from the Accountants Act No. 15 of 2008. The Institute is mandated to develop and regulate the Accountancy Profession in Kenya. It is also a member of the International Federation of Accountants (IFAC), the global Accountancy umbrella body and Pan African Federation of Accountants (PAFA).

ICPAK STRATEGIC DIRECTION

ICPAK STRATEGIC PLAN 2016-2018

Vision Statement

A World Class Professional Accountancy Institute.

Mission Statement

Develop and promote internationally recognised accountancy profession that upholds public interest through effective regulation, research and innovation.

Credo

Uphold Public Interest.

Core Values

Credibility: We resolve to promote high ethical standards in accounting practice and reinforce our mandate of championing public interest.

Professionalism: We maintain a high level of knowledge, skills and standards as we provide excellent services to our members and stakeholders.

Accountability: We are obliged to account for our activities, accept responsibility for our actions and conduct our operations in a transparent manner.

Functions of the Institute

Appended here-below are the functions of the Institute:

- Promote standards of professional competence and practice amongst members of the Institute;
- Promote research into the subjects of accountancy and finance and related matters, and the publication of books, periodicals, journals and articles in connection therewith;
- Promote the international recognition of the Institute;
- Advise the Examinations Board on matters relating to examinations standards and policies;

- Advise the Minister on matters relating to financial accountability in all sectors of the economy;
- Carry out any other functions prescribed for it under any of the other provisions of this Act or any other written law; and;
- Do anything incidental or conducive to the performance of any of the preceding functions.

The Role of the Council

The Council is the governing body of ICPAK and is responsible for the overall governance of the Institute. It comprises non-executive members including the chairman and six members elected from among the Institute's members. In addition, two members of the Council are nominated by the Minister of Finance of whom one is drawn from the Ministry of Finance and the other from a profession other than the Accountancy and represents users of accounting services. One Council member represents the Capital Markets Authority, a body charged with the regulation and development of the Capital Markets in Kenya. One other member of the Council is nominated by the Kenya Accountants and Secretaries National Examination Board (KASNEB) a body charged with overseeing and administering the professional accountancy examinations in Kenya.

The roles of the Council as stipulated in the Accountants' Act include:

- Issuing standards of professional practice, including accounting and auditing standards which shall form the basis of accountancy practice for members in the preparations, verifications and auditing of the financial statements;
- Issuing by-laws, regulations and guidelines to govern matters affecting the operations of the Institute.

Other functions and roles of the Council include:

- Strategic Leadership:** Approving, monitoring and guiding the implementation of the Institute's Strategic Plan;
- Performance Evaluation:** Setting performance targets and reviewing of the Institute's results so as to ensure the achievement of operational plans;

- iii. **Integrity of Financial Reporting:** Reviewing and monitoring controls, policies and procedures put in place to ensure integrity in the Institute's accounting records and the financial statements.
- iv. **Risk Management and Compliance:** Monitoring and reviewing the policies and procedures put in place by management to ensure that various risks facing the Institute are effectively mitigated and various regulatory and legislative requirements are complied with.



The iconic CPA Centre building along Thika road.
The building was officially commissioned in June 2016

NOTICE OF THE 40TH ANNUAL GENERAL MEETING

NOTICE AND AGENDA OF THE 40TH ANNUAL GENERAL MEETING OF THE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF KENYA.

NOTICE IS HEREBY given that in accordance with paragraph 5 (1) and (2) of the First Schedule of the Accountant's Act, No. 15, 2008, that the 40th Annual General Meeting of the Institute of Certified Public Accountants of Kenya will be held on Friday, 8th June 2018 from 10.30 a.m. at Safari Park Hotel, Nairobi, to transact the following business: –

Ordinary Business

1. To note the proxies received and establish a quorum;
2. To note Apologies;
3. To confirm Minutes of the 39th Annual General Meeting and to consider matters arising there from;
4. To receive and adopt the Council Report for the year 2017;
5. To receive, consider and approve the Annual Report and Financial Statements of the Institute for the year ended 31st December 2017 together with the Auditor's Report thereon;
6. To appoint the Independent Auditor of the Accounts of the Institute for the year ending 31st December 2018 and authorize the Council to fix the remuneration of the Auditor;
7. To confirm the election of Council Members in accordance with the Institute's Election Regulations;
8. A.O.B (To be received not later than Thursday 24th May, 2018).

NOTE: The First Schedule to the Accountants Act, No. 15, 2008, Section 11, (3 and 4) provides that a member entitled to attend and vote at the Annual General Meeting and who is unable to attend is entitled to appoint a proxy to attend and vote on his or her behalf. To be valid, a form of proxy which is attached to this notice must be duly completed by the member and must be deposited with the Secretary to be received not later than 10.30am on Thursday 31st May, 2018.



CPA Edwin Makori - ICPAK
Chief Executive Officer and Secretary to Council





Messages from CEO and Chairman



FCPA Julius Mwatu
Chairman

CPA Edwin Makori
Chief Executive Officer



As the Institute of Certified Public Accountants of Kenya (ICPAK) enters its 40th year of operation, it has been my privilege to have taken over the Chairmanship at this crucial point of Institute's history. My sincere thanks to the ICPAK founders and successive leadership for steering and engineering the Institute from a nondescript entity in 1978 to a prominent professional titan in 2017.

It is my great pleasure to present my first Chairman's statement to you the members of the Institute. On behalf of the Council members, I also present the Annual Report and Audited Financial Statements for the Financial Year ended on 31st December 2017.

The economic climate has been turbulent over the past few months, with depressed investment and trade. This is largely attributed to the prolonged electoral process in 2017. This impacted negatively on several fronts including but not limited to slowed economic activities, and delayed economic and financial decisions.

Additionally, the country continues to grapple with a myriad of challenges such as mismanagement of public funds at the two levels of government, simmering tension between Executive and the Judiciary, famine, drought, unemployment, and ballooning public debt.

Notwithstanding, in 2017 the Institute managed to navigate these turbulences to remain a veritable accountancy Institute guided by credibility, professionalism and accountability.

Institute's Council Affairs

This year also saw the exit of FCPA Fernandes Barasa after expiry of his two-year term in June 2017. FCPA Barasa joins our Hall of Fame for having bequeathed to the Institute

great milestones including completion and commissioning of CPA Centre in June 2016, exponential growth of membership and vigorous stakeholder engagements. Following competitive elections in June 2017, the Council welcomed on board, CPA Denish Osodo. At the same time CPA Rose Mwaura and CPA Susan Oyatsi retained their seats in the ICPAK Council. This process confirmed our democratic heritage which is deeply ingrained in our professional ethos, practices and traditions. I am indebted to my Council members who continue to provide support and insights in a collegial environment full of trust and contentment. I derive my satisfaction through their acumen, intelligence and team work.

To ensure that we live up to our revised Strategic Plan, the Council reviewed and approved the Committee structure, Terms of References and skills matrix. The reconstituted committees and work streams for the period 2017-2019 are indicated herein below:

a. Statutory Committees

1. Registration and Quality Assurance Committee
2. Disciplinary Committee

b. Council Committees

1. Public Policy and Governance Committee
2. Practitioners Development Committee
3. Professional Standards Committee
4. Member Services Committee
5. Finance and Strategy Committee
6. Audit and Risk and Compliance Committee
7. Research and Development Committee

c. Sub- Committees

1. Public Finance and Taxation
2. Legislative Affairs
3. Devolution
4. Internal Auditors
5. Youth and Student Affairs

Secretariat Leadership

The year also witnessed leadership changes at the Institute's Secretariat. I am glad that the Council managed to navigate transition period after the exit of DDr. Patrick Ngumi in April 2017. We are grateful to DDr. Ngumi for having served the Institute with devotion, professionalism and undivided attention. There are numerous feats that the Institute achieved during DDr. Ngumi's tenure.

At the same time, I would wish to congratulate CPA Edwin Makori for holding forte in acting capacity from April to September 2017. The Council confirmed CPA Makori as a substantive Chief Executive Officer in September 2017. We are confident that CPA Makori will steer the ship towards the sea of possibilities and success.

2017 FiRe Award Edition

The 16th edition of Financial Reporting (FiRe) Award 2017 was successfully concluded with the FiRe Award Conference and Gala Dinner and Award Ceremony on 16th and 17th November 2017 respectively. A total of 92 private sector entries were received and in addition 364 public sector entities were received and evaluated. The total number of 456 entries represents a 14% increase from the previous year where a total of 400 entries were reviewed and evaluated. The prestigious award is chaperoned by Capital Markets Authority, Nairobi Securities Exchange, Public-Sector Accounting Standards Board and ICPAK.

ICPAK Fellowships

In accordance with Section 4 of the Accountants Act No. 15 of 2008, ICPAK awarded one fellowship and 12 commendations during the 4th edition of Chairman's Ball held on 8th December 2017 at Safari Park Hotel. The event was graced by Dr. Patrick Njoroge, Governor Central Bank of Kenya, Auditor General FCPA Edward Ouko, ICPAK past chairmen among other invited guests.

CPA Parliamentarians

We were delighted to have six ICPAK members who made it to parliament in the just concluded 2017 general election. However, we note that CPA numbers have declined from 13 in the last Parliament to only 6 members in the current Parliament. We encourage our members to contest for elective post. It is only through this route that we can have a meaningful change in our body politic.

Membership Focus

Membership focus remains pivotal element in the Institute and through the years, we have put in place mechanisms geared towards making membership to ICPAK a rewarding experience. The Institute is cognizant of the role of young

accountants and hence continued encouragement to them to join the profession. In 2017 we carried out a Member Profiling and Customer Satisfaction survey with a view of understanding our members' unique characteristics as well as exploring their opinions on the profession. The initial findings have been presented to Council and from this body of work, a clear member services strategy for the Institute has been formulated.

The increased customer focus has resulted in recruitment of additional new members as follows: 1,189 full members and 453 associate members. This brings the total of registered members to 19,153. At the same time 72 members were issued with practicing certificates bringing a total number of practicing members to 1,142. Besides improving its products and offerings such CPD events and value-added services, the Institute also revived Benevolent Fund in 2017.

Operationalization of the Benevolent Fund

I am pleased to note that the Institute has now operationalized Benevolent Fund whose formation was adopted by Council on 17th May, 2016 and ratified by General membership during 38th AGM held on 3rd June 2016. The scheme has been put in place to support members and their families by supplementing last expense budget. The scheme covers: principal member; spouse and a maximum of four primary dependents of the principal member. The members who are yet to join the fund are advised to do so to cushion their loved ones against life's unpredictability.

Conclusion

The Council remains confident that, notwithstanding the challenging business environment, the Institute has the intrinsic strength and operational resilience to optimize the performance in 2018 and continue to focus on its long-term growth prospects, thus maintaining confidence of its diverse membership in the years to come.

On behalf of the Council, I would like to congratulate and thank the Institute's Management and Staff on their diligence and dedication during 2017 that have resulted in an impressive result. I would also like to acknowledge the invaluable support I continue to receive from my colleagues in the Council which has helped steer the Institute's business activities and strategies successfully throughout 2017.

I wish to recognise with gratitude, the vital support, loyalty and trust that we have continued to receive from our members, clients and other stakeholders within the industry. I wish to thank the government through the National Treasury for being a dependable partner in our professional work.



FCPA Julius Mwatia
Chairman



We value the wonderful input from so many of our members and these contributions together with the great efforts of our staff have again resulted in many achievements and exciting progress. We continue to grow with over 19,000 members. This signifies our advancing profession and our interest in and commitment to upholding public interest on behalf of our people and nation. It also reflects that ICPAK Council is strongly committed to providing valuable and sought-after member services, support, resources and leadership. Allow me to give a snapshot of some of activities that were carried out in 2017.

CPD Events

In a rapidly changing environment, CPD is the mechanism to ensure that accounting professionals are up to date in their field. At ICPAK, central to our current strategy is our commitment to ensuring the relevance and competitiveness of skill sets in the accounting workforce in Kenya. In 2017, the training team delivered a total of 210 scheduled training events, with thousands of accountants engaging in structured CPD trainings.

ICPAK diversified courses and seminars significantly in 2017 in response to the outcomes of members feedback. The expansion of our training programme has seen the introduction of a number of well received topics and courses. Supported by the Training Department, the CPD programme continues to meet the needs of our diverse membership.

The Institute has developed a framework that allows members update their CPD records when they are undertaking a CPD activity and made the entire recording

process as user friendly as possible. Our CRM system is currently providing a printable certificate to all seminars and courses attendees. This system also attaches certificates electronically to members' profiles as verifiable CPD records.

Finance, Facilities and HR

Like any other organisation, to ensure our continued survival and representation of the profession, a healthy financial position is required. I am pleased to note that despite the turbulence experienced during the year, the Institute recorded notable achievements. This was made possible by dedicated work force and guided by Finance and Strategy committee and the Council.

Stakeholder Engagement

We continue to engage with the government on issue of relevance to the accountancy profession and the economy at large. During the period under review, the Institute made submissions to National Treasury, Parliament, Auditor General, Controller of Budget and County Governments among others.

ICPAK continued to actively participate in international fora including International Federation of Accountants (IFAC), Pan African Federation of Accountants (PAFA) as well through international chapters and activities. In 2017, the Institute inaugurated its third chapter in Australia. The Institute also organized and held other international events: UK Chapter event (London); South African Chapter event (Johannesburg); C-Suite Seminar (Mumbai) and Executive Seminar (Hong Kong). The Institute has also continued to support the Africa Congress of Accountants (ACOA) whose 4th Edition was hosted by

the Institute of Certified Public Accountants of Uganda (ICPAU) in Kampala in May 2017. The Institute was represented by a substantive number of delegates.

During these events, the Chairman, Council members and I took the opportunity to meet with some of our members domiciled in these jurisdictions. I can confess that there is a strong level of goodwill and support among members in diaspora.

Regulating the Profession

The Institute continues to supervise audit firms to ensure that they comply with the statutory and international standard regime. We are pleased to note that in 2017, 167 Audit Quality review engagements were carried out. At the same time, the Institute created awareness on the new International Standard on Auditing (ISA) 701 which was expected to take effect in January 2018.

The new Standard alters the form and content of Auditing reports. In effect, the standard “lifts the veil on” confidentiality principle in certain cases, subject to existing legal framework. The standard applies to all categories of professional accountants, including auditors, other professional accountants in public practice, and professional accountants in organizations, including those in businesses, government, education, and the public benefits organisation (not-for-profit entities). Consequently, the Council highly recommends that all public interest entities should adopt ISA 701 in their subsequent reporting.

With the vision that accountancy profession should keep abreast with global standards, technological and economic advancements, ICPAK regulatory role has been designed to benchmark our professional competence with the best in the world.

The employers are urged to continue engaging our duly registered members. They should take comfort in the fact that, ICPAK members operate under a regulated environment, hence the Institute is obligated by law (the Accountant Act of 2008) to step in and take remedial disciplinary action in case of professional misconduct by any of our members.

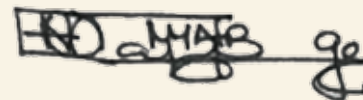
Technical Updates: Implementation of IFRS 9

The International Financial Reporting Standard (IFRS) 9 which replaces International Accounting Standard (IAS) 39 is expected to come into force on 1st January 2018. The new standard is currently creating ripples and great anxiety across the globe, owing to the radical provisions which it prescribes in respect to accounting for financial instruments.

The new accounting regulation will affect many stakeholders among them banks, investors, regulators, analysts, auditors and other organisations in preparation of financial statements. As we approach this momentous milestone of IFRS 9 implementation deadline, it is significant that entities that report under the IFRS framework must apply IFRS 9 in their 2018 financial statements. To achieve this, it will be necessary for the various institutions such as banks and other firms in the financial services sector to complete certain projects which will engage the skills of finance, risk and IT experts. In preparation for the implementation of IFRS 9 on the effective date, the Institute has carried out several sensitisation programs and stakeholder engagements.

Conclusion

I would like to sincerely thank the Institute's Secretariat for their hard work and dedication, often above and beyond their limit. Their passion for the accounting profession is to be admired and it has been my distinct pleasure to serve with them. Our sponsors are crucial to the successful delivery of our services - they richly deserve the gratitude of the whole accounting community. I further express my gratitude to our volunteer members for freely giving up their time to serve on council, committees, branches and chapters. I would like to sincerely thank you all on behalf of ICPAK and the accounting profession.



CPA Edwin Makori
Chief Executive Officer

2017 Financial Report Analysis

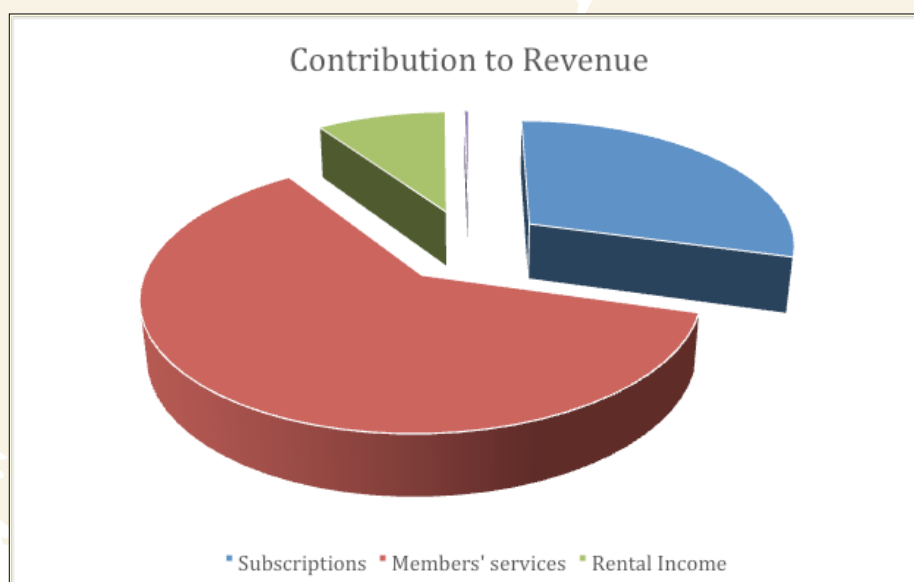
2017 had its share of challenges with reduced economic growth and business activities. Despite this, the Institute continued to successfully implement its mandate, advance its goals and objectives as outlined in the Strategic Plan. The Institute achieved revenue of Kshs 658.3 million representing a growth of 9% from the previous year. Revenue from members' subscription increased from Kshs 192.1 million in the previous year to Kshs 196.8 million in 2017. Revenue from member services also increased from Kshs 404.8 million in 2016 to Kshs 410 million. The year

under review saw rental income increase from Kshs 15.8 million to Kshs 61.8 million. Member subscriptions, CPD events and rental income are the major revenue streams for the Institute contributing 99.9% of the total revenue.

The table below depicts contribution to revenue from each of the sources.

Comparative contribution to revenue from the various sources

Revenue Source	2017		2016	
	Amount in Kshs '000	Percentage	Amount in Kshs '000	Percentage
Subscriptions	196,822	29.35%	192,101	31.32%
Members' services	410,072	61.15%	404,750	65.99%
Rental Income	61,768	9.21%	15,837	2.58%



The positive performance recorded continues to be as a result of enhanced member recruitment and retention strategies and the sustained profiling of our training events to attract large numbers. In the year under review, 1,642 members were recruited increasing the membership to 19,153. This comprises of 17,443 full members and 1,710 associate members. Over 200 CPD events were held in the year representing a growth of 13% from the previous year. These events were on various emerging issues including Accountancy Professional Standards, Corporate Governance, Taxation among others.

On the other hand, management adopted a stringent budget policy in the year, this ensured that expenses were within projections. However, the increased membership dictates that the Institute incurs more expenses to meet the membership needs. As a result, operating surplus for the period declined.

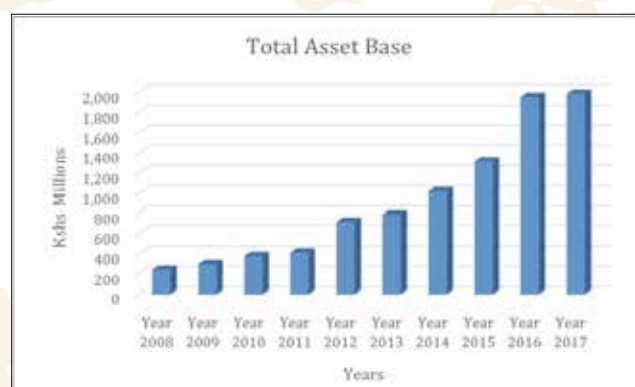
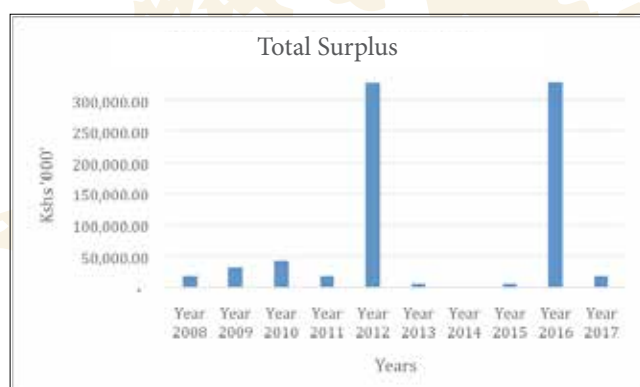
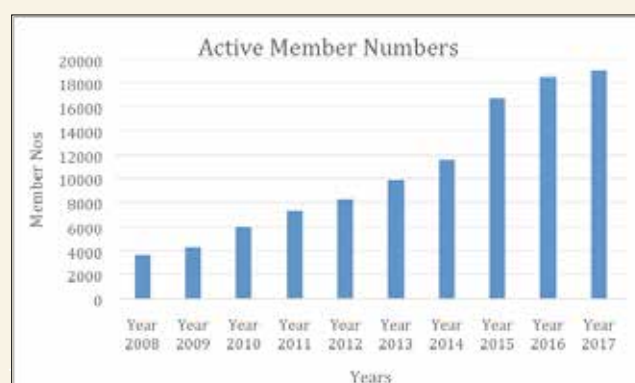
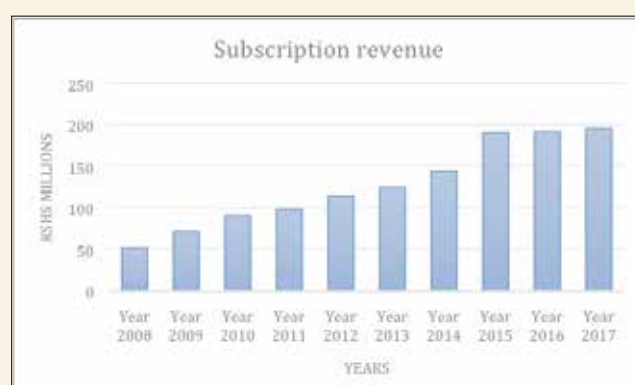
During the year, the Institute had a number of high profile engagements with the government and other stakeholders aimed at heightening the role of ICPAK in promoting financial accountability and good corporate governance.

The Institute interacted with the Office of Auditor General, Controller of Budget, Council of Governors and Parliament. Internationally, ICPAK continued to participate in global accountancy events including having a strong representation at IFAC board, PAFA board and committee meetings.

The year in review also saw a comprehensive mid-term review of the 2016-2018 Strategic Plan. The review focused on simplifying the organizational structure, reduction of cost among others. Like the original plan, this reviewed

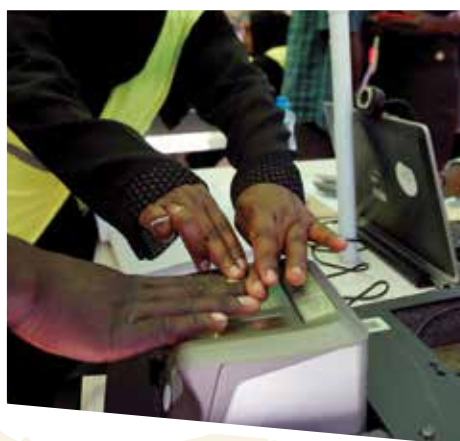
strategic plan remain ambitious and the Institute continues to explore alternative resourcing strategies in order to deliver.

Lastly, the future looks bright for the Institute and management is confident that the Institute will bounce back in 2018 and years to come. The Institute is hopeful that once the CPA Centre building attains full occupancy, the rental income will sufficiently cover related expenses and debts of the building. Revenue stream diversification, members' growth and retention are expected to continue playing a great role in the growth and sustainability of ICPAK.



Kenya Economic Outlook 2017

Source: Oxford business group; World Bank Resources and Kenya National Bureau of Statistics
Photos: LAPSET Corridor Program, Railway Gazette; SGR Kenya Launch, Nairobi Business Monthly, UN



A key regional player in East Africa, Kenya is a major communications and logistics hub, with an important Indian Ocean port and strategic land borders with Ethiopia, South Sudan, Uganda, Tanzania, and Somalia. With a population of about 48.5 million (2016), 2017 was characterised by a weak credit growth, insecurity and rise in oil prices. In addition there was a slow down in agricultural activities, tighter credit conditions, a mid-

year spike in inflation and political uncertainty. As a consequence, the country scaled down economic growth forecast with GDP growth decelerating to about 5% in 2017 down from 5.8% in the previous year.

Election-related uncertainty also weakened private sector activity, further constraining its growth. The Kenya Private Sector Alliance says the sector lost an estimated USD 7 billion - equivalent to about 10% of Kenya's GDP.

Other drivers of the downturn were the poor seasonal rains that reduced crop production and limited the generation of hydroelectric power for much of 2017. The late 2016/early 2017 drought meant that food prices rocketed, and the electricity generation agency increased power tariffs, putting inflationary pressure on households and businesses.

The World Bank projects the medium-term growth rebound to 5.5% in 2018 and 6.1% in 2019 respectively. This projected growth is dependent on the completion of ongoing infrastructure projects, the resolution of slow credit growth, and the strengthening of the global economy and tourism.

its 2017/18 budget deficit projection from 6.8% of GDP to 8.1%. The concerns over debt led Moody's international ratings agency to forecast that the debt-to-GDP levels would rise to 60% by June 2018 up from 56.4%.

Social Development

On social development, Kenya met Sustainable Development Goals (SDG) targets, including reduced child mortality, near universal primary school enrolment, and narrowed gender gaps in education. Interventions and increased spending on health and education are paying dividends. While the healthcare system has faced challenges, devolved health care



In the long-term, the adoption of prudent macroeconomic policies will help safeguard Kenya's robust economic performance. This includes the implementation of fiscal and monetary prudence and lowering the deficit down to 4.3% by FY2019/2020, as per the Medium Term Fiscal Framework. Fiscal consolidation needs to avoid compromising public investment in critical infrastructure key to unlocking the economy's productive capacity.

Political Context

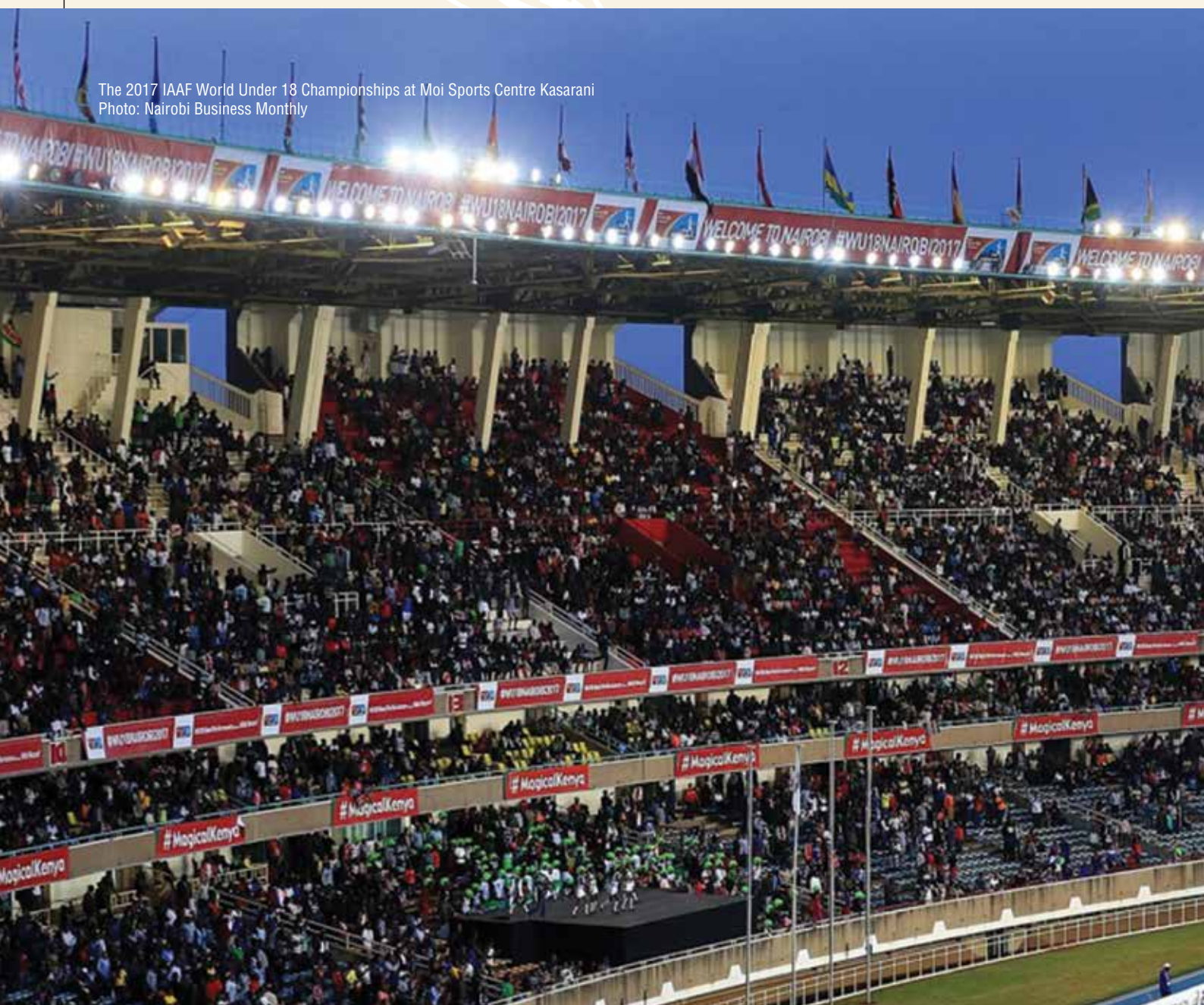
The economic challenges came amid an extended period of political uncertainty, with the re-running of the country's presidential election seen as a key factor weighing on the broader economy. Electoral irregularities meant that the results of Kenya's August 8 presidential election were annulled, driving the country to the polls again on October 26. The cost of staging successive elections was a factor behind the country's struggle to meet budgetary targets, and led the government to amend its budget in September to include a series of austerity measures. The Treasury revised

and free maternal care at all public health facilities led to improved and equitable health care system.

Kenya's youthful and growing population, dynamic private sector, highly skilled workforce, improved infrastructure, 2010 constitution, and pivotal role in East Africa, gives the country foundation to be one of Africa's leading economies. Addressing poverty, inequality, governance, and the skills gap will be major goals, as well as problems of climate change and low productivity. Only when these have been addressed can sustained growth rates transform lives of ordinary citizens.



The 2017 IAAF World Under 18 Championships at Moi Sports Centre Kasarani
Photo: Nairobi Business Monthly



World Junior Athletics Championship

In early 2017, more than 800 athletes from 131 countries assembled in the Kenyan capital for the IAAF under 18 world championship.

The championship marked a great milestone for Kenya and world athletics, being the second occasion that Kenya has hosted an IAAF World Athletics Series (WAS) event. Kenya is renowned world over since late 1960s as one of the countries that produces world champions in middle and

long distance running and one of the top medal winning nations at major championships.

The event organization went on well as planned with an ecstatic crowd estimated to be over 55,000 that filled up the Moi International Sports Complex, Kasarani Stadium during the IAAF Championship. They went on to break the record as the largest crowd ever at a World Under 18 Championships of over 50,000 spectators.





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Nairobi was awarded the IAAF World U18 Championships in November 2014, providing Kenya the opportunity to showcase the country as the host of one of the world's largest international track and field events which attracts nearly 2000 athletes and officials from 150 countries.

Sebastian Coe, IAAF President



President Uhuru Kenyatta meets Mr. Sebastian Coe, President of IAAF under 18 Youth Championships 2017
Photo: Uhuru Kenyatta Tweeter account



Kenya's Emmaculate Chepkirui after the 3000m at the IAAF World U18 Championships Nairobi in 2017
Photo: Athletics Africa



CEO Loc Mwangi Muthee and Kiri Kiri Kaberia meets IAAF President Coe Sebastian in July 2017
Photo: Capital FM

UNCTAD Secretary General Dr Mukhisa Kituyi and E-commerce magnate Jack Ma talk at University of Nairobi
Photo: University of Nairobi



Jack Ma Visit to Kenya

On his first trip to Africa, Jack Ma, the founder of Chinese e-commerce company Alibaba, spoke in Nairobi on Thursday (July 20) about the value of constant learning, the power of the internet, and how the combination of the two can be utilized to solve the day-to-day challenges facing the continent. Ma also spoke about the process of failure, and how that can be a catalyst for innovation and progress.

"I think more people identify with him," says Sam Gichuru of the Nailab, a Kenyan startup incubator, which Ma visited today.

"I will work with UNCTAD to support 200 African entrepreneurs in the next 5 years," said Ma, founder of Chinese e-commerce giant Alibaba.

Ma who doubles up as a special advisor of UNCTAD, announced that he will work with universities and governments to develop training programs for African young people on e-commerce and cloud computing.



Jack Ma with Maasai morans at the Maasai Mara Game Reserve
Photo: Hot Secret

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I will work with UNCTAD to support 200 African entrepreneurs in the next 5 years.

Jack Ma, founder of Chinese e-commerce giant Alibaba.

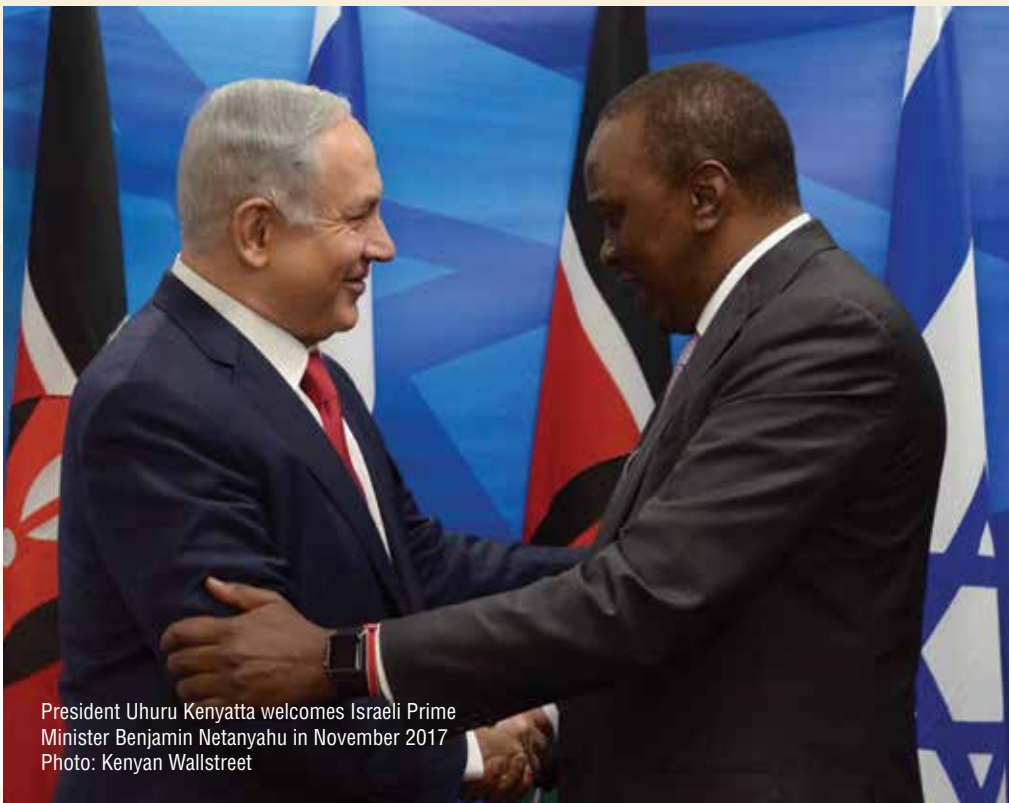
Alibaba CEO and Executive Chairman Jack Ma during a public lecture held at the University of Nairobi
Photo: The Star





Israeli Prime Minister Benjamin Netanyahu and Mrs. Sara Netanyahu inspecting a guard of honour mounted by a detachment of Kenya Defence Forces. Photo: PM of Israel tweet

Israeli PM Netanyahu Arrives in Kenya



President Uhuru Kenyatta welcomes Israeli Prime Minister Benjamin Netanyahu in November 2017. Photo: Kenyan Wallstreet

The Israel Prime Minister Benjamin Netanyahu made a visit to Kenya in a bid to deepen Israel's ties with African countries. During his visit, the Israeli Premier had a series of meetings with African heads of state and government including the presidents of Gabon, Uganda, Tanzania, Zambia, Rwanda, South Sudan, Botswana and Namibia, as well as the Prime Minister of Ethiopia. At the State house Nairobi, Mr. Netanyahu also held bilateral agreement meeting with President Kenyatta.



Strategic Reviews



Governance Structure

Governance: Council and its Committees

ICPAK is led by an 11 member Council comprising of:

- a) A Chairman and six Council members elected from the members of the Institute;
- b) One member representing the Cabinet Secretary responsible for matters relating to finance;
- c) One member representing the Cabinet Secretary responsible for matters relating to finance to represent a profession other than accountancy;
- d) One member representing Kenya Accountants and Secretaries National Examinations Board;
- e) One member representing Capital Markets Authority.

The Governance framework with various committees is as shown in the chart below;



The Role of the Council

The roles of the Council as stipulated in the Accountants' Act include:

- i. Issuing standards of professional practice, including accounting and auditing standards which shall form the basis of accountancy practice for members in the preparations, verifications and auditing of the financial statements;
- ii. Issuing by-laws, regulations and guidelines to govern matters affecting the operations of the Institute.

Other functions and roles of the Council include:

- iii. **Strategic Leadership:** Approving, monitoring and guiding the implementation of the Institute's Strategic Plan;
- iv. **Performance Evaluation:** Setting performance targets and reviewing of the Institute's results so as to ensure the achievement of the operational plans;
- v. **Integrity of Financial Reporting:** Reviewing and monitoring controls, policies and procedures put in place to ensure integrity in the Institute's accounting records and the financial statements;
- vi. **Risk Management and Compliance:** Monitoring and reviewing the policies and procedures put in place by the management to ensure that the various risks facing the Institute are effectively mitigated and various regulatory and legislative requirements are complied with;

- vii. **Stakeholders' Interest:** Guiding the Institute so as to ensure the fulfillment of the interests of various stakeholders besides reviewing and monitoring corporate governance and corporate social responsibility practices;
- viii. **Executive Review:** Approving appointment and remuneration of the Chief Executive Officer and other key staff as well as monitoring and reviewing their performance.

Activities of the Council

It is the responsibility of the Chairman and the office of the Chief Executive Officer to work closely in planning the annual programme and agenda for meetings. The meetings are structured to allow open discussions. All substantive agenda items have comprehensive briefing papers which are circulated earlier in advance before the meetings.

Division of Responsibilities

The roles of the Chairman and the Chief Executive Officer are separate and interdependent. There is a division of responsibilities that is clearly established and agreed by the Council to ensure that no one person has unrestrained powers of decision.



Immediate former ICPAK Chairman FCPA Fernandes Barasa officially hands over the leadership baton to ICPAK Chairman FCPA Julius Mwatia (2017-2019)



FCPA Julius Mwatu - ICPAK Chairman

FCPA Julius Mwatu has over 17 years' experience in the Accounting profession. He is the Chairman of ICPAK. He is also Indigo Telecom's Chief Finance Officer in charge of Strategy, Finance and Risk. He has been an ICPAK resource person in the area of Taxation. He holds a Master's in Business Administration (Finance) and a Bachelor's degree in Statistics (BSc). His professional qualifications include, CPA (K), and Certified Financial Analyst of East Africa. He is the Convenor of the Public Policy and Governance Committee as well as a member of KCAU Board of Trustees.



CPA Rose Mwaura - ICPAK Vice Chairman

CPA Rose Mwaura is a Deloitte Partner with over 20 years' experience in financial management, accounting, external and internal audit, internal controls, corporate governance, risk management and integrated reporting. She has extensive experience in the private and public sectors having worked with a variety of organizations and advised management and boards of directors on how to improve their financial management and operational practices. CPA Rose's involvement with ICPAK started in 2012 when she joined the Institute with the intention of giving back to the accounting profession. In 2013, she became an active member of the Member Services Committee (MSC) and was later elected to ICPAK Council. CPA Rose has served as a Council member, Co-convenor of Public Policy and Governance and Convenor of the Devolution work stream.



CPA Edwin Makori - Chief Executive Officer

CPA Edwin Makori has over 14 years' corporate leadership and management experience, five of which have been rendered to the Institute of Certified Public Accountants of Kenya. Prior to his appointment, he was the Institute's Chief Manager in charge of Professional Services. He holds an MBA in Business Administration (Finance) from University of Nairobi, and a Bachelor of Commerce Degree from the same institution. CPA Makori is a Certified Public Accountant and a member of the Information Systems, Audit Control Association (ISACA) as well as a member of Institute of Leadership Management ILM (UK).



Ms. Damaris

Ms. Damaris Kimosop is ICPAK's Council member representing professions other than accountancy in the Council. Ms. Kimosop was first appointed to the Council on 1st March 2014 by Cabinet Secretary for the National Treasury for a period of three years. She was reappointed on 1st April 2017 to serve for another three-year term. Ms. Kimosop is a HR professional and has worked in various organizations leading the HR function. She is currently the Country HR Head-Eastern Africa Region at Bayer East Africa Ltd. She holds a Bachelor's Degree and an MBA from the University of Nairobi. Damaris also holds a Diploma in Human Resources and is a Certified Strategic Human Resource Professional (SHRP). Ms. Kimosop is a member of Member Services Committee and Audit, Risk and Compliance Committee.



CPA Geoffrey Malombe, HSC

CPA Geoffrey Malombe joined Government in 1997 and rose through the ranks to Senior Deputy Accountant General in 2016. Before then he had worked with the private sector and the Non-Governmental Organizations. He has over 20 years working experience in Government gained while working at management levels with Ministries of Agriculture and Rural Development, Education, Science and Technology, Finance and the National Treasury. CPA Malombe holds a Bachelor's Degree in Agricultural Economics and is a CPA (K). He also holds an MBA (Finance Option) from the University of Nairobi. He is involved in other Public Financial Management Reforms in the National Treasury. He has been awarded with the Head of State Commendation by His Excellency the President for distinguished service to the Republic of Kenya. He represents National Treasury at ICPAK Council. He is also a member of Audit, Risk and Compliance Committee.



CPA June Kivinda

CPA June Kivinda is a Council Member of the Institute of Certified Public Accountants of Kenya (ICPAK 2015-2018). During her tenure at ICPAK she has served as the Convenor of Finance and Strategy Committee (2017/18), Co-convenor Research and Development Committee (2015-2018) and Member of Public Policy and Governance Committee (2015-2018). She is the Finance Management Consultant at Earnings Nest Ltd and her passion is in capacity building, costing of strategic plans and matters governance. She has a Bachelor of Science International Business Administration (B.Sc.) Cum Laude Honors from United States International University (USIU) and is currently pursuing her Masters Degree in Development Finance (a masters programme she spearheaded in conjunction with Africa Growth Institute (AGI) in South Africa to have introduced in East Africa where there was a gap. It started in KCA University in 2016 and in Strathmore University in 2017). CPA June serves as a Board Member at Property Reality Company (PRC) since July 2017 and at the Board of Kimisitu Sacco with effect from March 2018 where she chairs the Credit Committee.



CPA Obare Nyaega

CPA Obare Nyaega is currently the Chief Executive Officer of the Institute of Certified Public Secretaries of Kenya (ICPSK). He has over 17 years' experience and has previously worked for SkillShare Services as Managing Partner at MTN Business as the Quality Management Representative (QMR) and Ag. Finance Manager at Strathmore University. As a scholar, he has published in the European Journal of Business and Management and lectured at KCA University, Maseno University, Management University of Africa and Mount Kenya University among others. He holds a PMD (Programme for Management Development) jointly by SBS Kenya and GIBS University of Pretoria SA, an MSC in Finance from UoN, a BCOM (1st Class Honours) from Strathmore University and is presently pursuing a PhD and LLB both at UoN. He is a Certified Public Accountant (CPA), Certified Secretary (CS), a Certified Information Systems Auditor (CISA), a trained ISO 9001:2015 Internal Auditor and a Trained Trainer on Crucial Conversations by VitalSmarts USA. CPA Obare was re-elected to Council in 2016 and is the current Convenor of Research and Development Committee. He was awarded with an ICPAK Commendation in 2014.



FCPA Pius M. Nduatih, OGW

FCPA Pius M. Nduatih is a Council member representing KASNEB at the Council. He is the Chief Executive Officer and Secretary to the Board of KASNEB, a position he has held since January 2008. He previously served as the Chief Officer, Finance at KASNEB and Head of Finance at the Commission for Higher Education and at Kenya Science Teachers College. He holds a Master of Business Administration degree from the University of Leeds, UK and a B.Com (Accounting) (Hons) degree from the University of Nairobi. He is the Co-convenor of Finance and Strategy Committee and former Convenor of Audit and Risk Committee. Prior to joining the Council, he served as a member of the Registration and Quality Assurance Committee of the Institute. FCPA Nduatih is also a qualified Certified Public Secretary and a Fellow of ICPSK. He has wide experience in leadership, finance and accountancy and is a respected governance professional. He was conferred the Order of the Grand Warrior of Kenya (OGW) by His Excellency the President of Kenya in 2013, in recognition of his contribution to nation building.



CPA Samuel Okello

CPA Samuel Okello is a seasoned Accountant with over 15 years experience in governance, policy and finance. He is currently a manager at the Central Bank of Kenya. Previously he worked with Barclays Bank of Kenya, University of Nairobi Enterprises and Services (UNES) Ltd. and University of Nairobi (College of Agriculture and Veterinary Sciences) among others. CPA Samuel holds an MBA (Finance), B.Com (Accounting option) from University of Nairobi. He holds a Diploma in Risk Management in Finance and Banking (RFMB) courtesy of the Swedish International Development Agency (SIDA). His professional qualifications include; CPA (K), CPS (K) and CISA. He is a member of the Institute's Council, convenor of Member Services Committee and former convenor Finance and Strategy Committee. He is also a Board Member of Banki Kuu Sacco (2015-2018) and Chairman of the Credit Committee of Banki Kuu Sacco. CPA Okello also sits in the Finance and Audit Committee of the Kenya Bankers Association where he represents the Central Bank of Kenya (CBK).



CPA Susan Khakasa Oyatsi

CPA Susan Oyatsi is a Council member and a Certified Public Accountant with over 10 years' experience in both public and private sector. She is currently the Acting Director of Finance at the Judiciary. Previously she served as Chief Accountant at the Energy Regulatory Commission (ERC) as well as Head of Management Accounts and Credit Control at Heritage Insurance. She holds a Master of Business Administration (MBA) degree from the University of Nairobi and a Bachelor's degree in Business Education from Kenyatta University. Besides, she is a member of Information Systems Audit and Control Association (ISACA) - an international professional association that deals with IT governance issues and a qualified Quality Internal Auditor of ISO 9001:2008 Quality Management System (QMS). CPA Susan is the Co-convenor of Member Services Committee. She is the former chair of the Public Sector Committee.



FCPA Wycliffe M. Shamiah

FCPA Wycliffe Shamiah is a Fellow of Institute of Certified Public Accountants of Kenya (ICPAK) and currently serving as Director of Market Operations at the Capital Markets Authority (CMA). He has worked at the Authority for over 20 years in various capacities. He chairs various committees within the capital market sector including Market Supervision and Risk Management Sub-committee of a regional securities regulators umbrella organization in the East African Community (EAC). He holds a Bachelor's Degree in Economics and Mathematics and a Master's in Business Administration (Finance) from the University of Nairobi. He has been representing CMA at ICPAK Council since 2009. While in Council he has been a member of Research and Development Committee as well as the Audit, Risk and Compliance Committee. He received his ICPAK commendation in 2013 and ICPAK Fellowship in 2016. FCPA Shamiah is an alumnus of the U.S International Visitors Programme and an Associate of Toronto Leadership Center.



CPA Denish Osodo

CPA Denish Osodo works at Safaricom Limited as the Internal Audit Director. He has wide and deep experience in Assurance, Governance and Risk Services. Prior to joining Safaricom, he worked at PricewaterhouseCoopers (PwC) for several years, offering audit and business advisory services to companies in different industries during his stints in Kenya and United Kingdom offices. He left PwC as a Director in the Risk Assurance Services team focusing on the provision of Internal Audit and business Controls Advisory Services to clients across Africa. CPA Denish, a certified public accountant is a member of the Audit Committee of the Kenya National Commission for UNESCO. He also sits in the Board of Kenya Paediatric Research Consortium (KEPRECON). He holds a Bachelor of Commerce degree from the University of Nairobi and has attended several leadership and management courses. He is the current Convenor of Audit, Risk and Compliance Committee.

Good Governance

At ICPAK the Council and Management are committed to the highest level of corporate governance. The Institute believes this is paramount for business integrity and maintaining our stakeholders trust. Our business principles are set out in our core values and in turn the standards we set ourselves ensures that we operate lawfully, with integrity and respect, observing and respecting the culture of the people of Kenya and particularly those of our members.

The Institute believes that its sphere of influence with regards to good corporate governance should be extended to stakeholders and business relationships. The Institute engages with stakeholders in a mutually beneficial and sustainable

manner in an environment of equity, mutual respect and honesty. It is our policy that our corporate engagements are in observance of the highest standards of professional ethics that promotes Credibility, Professionalism and Accountability.

Council Appointment and Attendance

Appointments to the Council are based on a formal and transparent process as set out in the Institute By-laws for the engagement of new members of the Council. The various Council members, their functions and the meetings attendance in the year are set out as below:

COUNCIL MEETING ATTENDANCE

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Fernandes Barasa	Chairman (To June 17)	Jun-2015	Jun-17	7/7
FCPA Julius Mwatu	Chairman (From June 17)	Jun-2017		13/14
CPA Rose Mwaura	Vice-Chairman	Re-elected Jun-2017		12/14
CPA Denish Osodo	Member	Jun-2017		7/7
CPA June Kivinda	Member	Jun-2015		10/14
CPA Obare Nyaega	Member	Re-elected Jun-2016		12/14
CPA Samuel Okello	Member	Jun-2015		14/14
CPA Susan Oyatsi	Member	Re-elected Jun-2017		9/14
FCPA Wycliffe Shamiah	Member			10/14
FCPA Pius Nduatih	Member			11/14
CPA Geoffrey Malombe	Member			6/14
Ms. Damaris Kimosop	Member			12/14

Council's Committees

The Council has established various Committees which have formal Terms of Reference approved by the Council and reviewed on an ongoing basis by the Council. The Senior Management with the delegated authority of the Chief Executive Officer prepares the agenda papers and provides Secretarial Services to the Committees. Various Committees, functions and meetings attendance in the year are tabulated herein.

Disciplinary Committee

The Committee is responsible for disciplining members in accordance with the procedure and rules stipulated in the Accountants Act. The members in office of the Disciplinary Committee members were appointed in January 2014.

Members of the Disciplinary Committee during the year, together with the record of their attendance at the scheduled meetings are as tabulated in the Disciplinary Committee attendance table.

DISCIPLINARY COMMITTEE

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Charity Muya	Convenor	Jan 14		3/3
CPA Hannah Wendot	Member	Mar-14		2/3
FCPA S. P. Ole Nkeri	Member	Mar-16		3/3
CPA Scholastica Mbilo	Member	Jan 14		1/3
CPA Susan Mudhune	Member	Jan 14		2/3
Eric Odongo	Member	Feb-14		3/3
FCPA John Mudany	Member	Jan 14		0/3

Registration and Quality Assurance Committee (RQAC)

The Committee receives, considers and approves applications for registration as an accountant and grant of practicing certificates and annual licenses in accordance with the provisions of the Accountants Act. In addition, it monitors compliance with professional quality assurance and other standards published by the Council for observance by the members of the Institute.

REGISTRATION AND QUALITY ASSURANCE COMMITTEE

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Jim Mc Fie	Convenor	Jun-14		4/4
CPA Beatrice Gathirwa	Member	Jun-14		4/4
CPA Christabel L. Osango	Member	Jun-14		4/4
FCPA Daniel Ndonge	Member	Jun-14		2/4
CPA Joyce Mbaabu	Member	Jun-14		3/4
CPA Mary Maalu	Member	Jun-14		3/4
CPA Yusuf Omari	Member	Jun-14		2/4



Recipients of ICPAK commendations display certificates during 2017 Chairman's Ball edition

Finance and Strategy Committee

This committee oversees the strategy implementation on behalf of the Council, reviews operations and make recommendations regarding policies and reviewing of financial performance including the Institute's budget. The scope also includes reviewing of the Financial Statements, ratio analysis, management accounting, debt management and management of investments.

FINANCE AND STRATEGY COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA June Kivinda	Convenor (From Aug-17)	Aug-17		2/2
FCPA Pius Nduatih	Co-Convenor	Aug-17		2/2
FCPA John Mudany	Member	Aug-17		0/2
CPA Mbithi Matolo	Member	Jun-15		4/5
CPA Margaret Muinde	Member	Aug-17		1/2
CPA Joseph Ndisya	Member	Aug-17		2/2
CPA Newton Kihara	Member	Aug-17		1/2
CPA Evans Moturi	Member	Aug-17		2/2
CPA Rosemary Wanyeki	Member	Aug-17		2/2
CPA Peter Mukoya	Member	Jan-16		5/5
CPA George Aggrey	Member	Jun-15		5/5
CPA Samuel Okello	Convenor (To Aug-17)	Aug-13	Aug-17	3/3
CPA Grace Miano	Member	Jun-15	Aug-17	3/3
CPA William Kamau	Member	Jun-14	Aug-17	2/3
CPA Benter Akoth	Member	Jun-15	Aug-17	1/3
CPA Margaret Ngatia	Member	Jun-15	Aug-17	3/3
Ms. Damaris Kimosop	Council	Apr-16	Aug-17	3/3
CPA Kang'e Saiti	Member	Aug-13	Aug-17	2/3
CPA Charles Mwitari	Member	Jun-15	Aug-17	1/3

ICPAK members attending the 39th Annual General Meeting held at Safari Park in June 2017



Audit, Risk and Compliance Committee

The Audit Risk and Compliance Committee assists the Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Institutes' process for monitoring compliance with laws and regulations as well as the Code of Conduct. In addition, the Committee continuously evaluates the effectiveness of the risk Management processes within the Institute ensures that adequate risk management strategies are being implemented.

AUDIT, RISK AND COMPLIANCE COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Denish Osodo	Convenor (From Aug-17)	June-15		5/5
CPA Abraham Kiptum	Co-Convenor	June-15		5/5
CPA Geoffrey Malombe	Member	June-16		1/5
CPA Dalton Mwaghogho	Member	Aug-17		2/2
CPA Eric Audi	Member	June-15		3/5
CPA Fredrick Otero	Member	Aug-17		1/2
CPA Dr. John Kinyua	Member	Aug-17		2/2
CPA John Matuti	Member	June-15		3/5
CPA Juma Kenneth	Member	June-15		4/5
CPA Martin Kamau	Member	Aug-17		2/2
FCCA Wycliff Shamiyah	Convenor (To Aug-17)	June-13	Aug-17	2/3
CPA Edward Nyaga	Member	June-15	Aug-17	0/3
CPA Fredrick Ambale	Member	June-15	Aug-17	3/3
CPA Fridah Nkirote	Member	June-13	Aug-17	3/3
Ms. Damaris Kimosop	Council	June-16		3/5



Public Policy and Governance Committee

This Committee is charged with the stewardship of the Institute's Public Interest role including the Advisory Role to the Ministry of Finance, Public Financial Management, Professionalism in the Public Sector, Devolved Funds such as the CDF and Local Authorities, Parliamentary Oversight Role and Public Governance. The committee also looks at Taxation and Budgeting including laws and regulations pertaining to taxation and leading to the Institute's participation in both the national and county budgeting process.

PUBLIC POLICY AND GOVERNANCE COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Julius Mwatu	Convenor	Jun-15		2/2
CPA Rose Mwaura	Co- Convenor	Jun-17		1/1
CPA Andrew Tanui	Member	Jun-13		2/2
CPA David Gichana	Member	Jun-17		0/1
CPA June Kivinda	Council	Jun-15		2/2
CPA Samuel Kirenge	Member	Jun-17		1/1
CPA Samuel Okello	Council	Jun-17		1/1
CPA Solomon Ngahu	Member	Jun-17		1/1
FCPA Issak Husein	Member	Jun-17		0/1
FCPA Muthoni Wangai	Member	Jun-17		1/1
FCPA Philip Muema	Member	Jun-15		2/2
CPA Benson Muriithi	Member	Jun-15	Aug-17	0/1
CPA Macklina Abiniza	Member	Jun-15	Aug-17	0/1
CPA Evans Murela	Member	Jun-15	Aug-17	0/1
CPA Philip Kakai	Member	Jun-15	Aug-17	0/1
CPA Rosalind Rima	Member	Jun-15	Aug-17	1/1
FCPA S. P. Ole Nkeri	Member	Jun-14	Aug-17	0/1
CPA Stephen Masha	Member	Jun-14	Aug-17	0/1
FCPA John Mudany	Member	Jun-15	Aug-17	1/1



Member Services Committee

This committee is tasked with the responsibility of understanding member needs and formulating recommendations for Council consideration on how to address the needs so identified. This Committee oversees the implementation of Continuous Professional Development (CPD) policies and guidelines, adoption and implementation of the International Education Standards (IESs), development and implementation of CPD calendar. The Committee is also tasked to develop marketing strategies and member recruitment and retention strategies, develop sector specific products and services for members such as those in the Public Sector, Non Government, Not for Profit Sectors and develop products for various categories of members such as the young associates (under 35s) and the coordination of continuous improvement in quality service provision to members including evaluation of member satisfaction levels.

MEMBER SERVICES COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Samuel Okello	Convenor (From Aug-17)	Aug 17		2/2
CPA Susan Oyatsi	Co-Convenor	Aug 17		1/2
CPA Anne Wangechi	Member	Aug 17		2/2
CPA Daniel Etyang'	Member	Aug 17		1/2
CPA Joshua Kamwere	Member	Jun-15		3/3
CPA Josiah Mayieka	Member	Aug 17		1/2
CPA Mollen Achayo	Member	Aug 17		2/2
CPA Obare Nyaega	Council	Jun-15		1/3
CPA Risper Olick	Member	Aug 17		2/2
CPA Tom Omariba	Member	Aug-13		3/3
CPA William Njuguna	Member	Jun-15		3/3
Ms. Damaris Kimosop	Council	Aug 17		1/2
CPA Jarso Adan Abdo	Member	Aug 17		2/2
CPA Rose Mwaura	Convenor (To Aug-17)	Aug-13	Aug 17	1/1
CPA Geoffrey Makori	Member	Jun-15	Aug 17	0/1
CPA Mary Wachira	Member	Jun-15	Aug 17	1/1
CPA Mary Wanyonyi	Member	Jun-15	Aug 17	1/1
CPA Patrick Kimani	Member	Jun-15	Aug 17	0/1
CPA Shabir Isaak	Member	Aug-13	Aug 17	0/1



Delegates attending the 2nd South Africa Chapter Annual Seminar which was held in April, 2017.
Dr. Gatama Joseph Gichini, Education Attache at Kenya High Commission-Pretoria (second from left) and
FCPA Julius Mwatia ICPAK Chairman (third from left) among other esteemed delegates

Research and Development Committee (RDC)

The Committee's terms of reference are derived from the mandate of the Institute as provided in the Accountants Act at section 8b "To promote research in the subject of accountancy and finance and related matters and the publication of books, periodicals, journals and articles in connection therewith".

RESEARCH AND DEVELOPMENT COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Obare Nyaega	Convenor	Aug-13		2/2
CPA June Kivinda	Co-Convenor	Jun-15		2/2
FCPA Geoffrey Injeni	Member	Aug-13		1/2
CPA Margret John	Member	Aug-17		1/1
CPA Dr. Elizabeth Kalunda	Member	Aug-17		1/1
CPA Josphat Lishenga	Member	Aug-17		0/1
CPA Justin Mutie	Member	Jun-15		2/2
CPA Millicent Omukaga	Member	Aug-17		1/1
CPA Silas Osero	Member	Aug-17		1/1
CPA Agnes Oganda	Member	Aug-13	Aug-17	1/1
CPA Charles Okeyo	Member	Jun-15	Aug-17	0/1
CPA Livingstone Maganjo	Member	Jun-15	Aug-17	1/1
CPA Dominic Murage	Member	Aug-13	Aug-17	0/1
CPA Lydia Momanyi	Member	Aug-13	Aug-17	0/1

Professional Standards Committee

This Committee is responsible for the Institute's Standard Setting Role and the Implementation of Standards as promulgated by the Council. It works together with the management team in participating in setting and ensuring implementation of the respective standards in; Financial Reporting; Public Sector Accounting; Auditing and Assurance; Accounting Education; Ethics and Financial Services including laws and regulations impacting this sector.

PROFESSIONAL STANDARDS COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Michael Mugasa	Convenor	Aug-13		5/5
CPA Joseph Kariuki	Co-Convenor	Aug-14		3/5
CPA Anne Muraya		Aug-13		4/5
CPA Asif Chaudhry		Aug-13		3/5
CPA David Mwindi		Aug-13		3/5
CPA Fredrick Macharia		Jun-15		2/5
CPA William Agunda		Jun-15		2/5
FCPA Richard Njoroge		Aug-13		3/5
FCPA Simon Fisher		Aug-13		4/5
CPA Sylvester N. Kiini		Aug-17		1/3

Practitioners Development Committee

This Committee is tasked with the responsibility to develop, plan, organize and monitor the implementation of various initiatives and programmes aimed at building the capacity of the Institute's members who are in practice, with a specific focus on the Small and Medium-sized Practitioners (SMPs).

PRACTITIONER DEVELOPMENT COMMITTEE				
NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Rose Mwaura	Convenor (From Aug-17)	Aug-17		2/2
CPA Denish Osodo	Co-Convenor	Aug-17		1/2
CPA Ali Abdi	Member	Aug-17		1/2
CPA Evanson Nganga	Member	Jun-13		3/5
CPA George Sagala	Member	Aug-17		1/2
CPA Herbert Wasike	Member	Aug-17		1/2
CPA Joseph Mutunga	Member	Aug-17		2/2
CPA Yusuf Mulindwa	Member	Aug-17		1/2
FCPA Said Abeid	Member	Jun-15		5/5
FCPA Julius Mwatu	Convenor (To Aug-17)	Jun-13	Aug-17	2/2
CPA Benard Amukah	Member	Jun-13		3/5
CPA Hesbon Omollo	Member	Jun-15	Aug-17	2/3
CPA Jacinta Mwendwa	Member	Jun-13	Aug-17	3/3
CPA Juma Simwelo	Member	Jun-15	Aug-17	1/3
CPA Kenneth Mbuthia	Member	Jun-15	Aug-17	1/3
CPA Ranpara Arshvin	Member	Jun-13	Aug-17	2/3
FCPA George Mokuu	Member	Jun-15	Aug-17	2/3
FCPA Michael Mbaya	Member	Jun-13	Aug-17	2/3
CPA Hassan Ali	Member	Jun-16	Aug-17	1/2
CPA Stephen Gatahanga	Member	Jun-16	Aug-17	2/3



Council members attending a Strategic Plan retreat in Machakos

Work Streams

PUBLIC FINANCE AND TAXATION WORK STREAM

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
FCPA Philip Muema	Convenor	Aug-13		6/6
FCPA Erastus Omolo	Member	Jun-15		3/6
CPA Dennis Nyamweya	Member	Aug-17		1/2
CPA Edna Gitachu	Member	Jun-15		3/6
CPA Francis Kamau	Member	Aug-14		4/6
CPA Fred Omondi	Member	Aug-17		1/2
CPA Gerald Gichuku	Member	Aug-17		2/2
CPA Jemimah Mugo	Member	Aug-17		1/2
CPA John Waihenya	Member	Aug-17		1/2
CPA Robert Waruiru	Member	Aug-13		3/5
CPA Maurice Oray	Member	Aug-13		4/5
CPA Joash Kosiba	Member	Jun-15	Aug-17	2/5
CPA Michael Koome	Member	Aug-13	Aug-17	0/5
FCPA Wycliff Kibisu	Member	Aug-13	Aug-17	1/5
FCPA Rajesh Shah	Member	Aug-13	Aug-17	1/5

LEGISLATIVE WORK STREAM

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Andrew Tanui	Convenor	Jun-14		4/4
CPA Dr. Edward Karanja	Member	Aug-17		3/3
CPA Dr. Ondimu Moi	Member	Jun-15		4/4
FCPA George Mokua	Member	Aug-17		2/3
CPA Ken Nyamolo	Member	Jun-14		1/4
Marion Wanjiku	Member	Jun-14		3/4
CPA Philip Kakai	Member	Aug-17		3/3
CPA Hesbon Omollo	Member	Aug-17		3/3
CPA Catherine Munyao	Member	Jun-14	Aug-17	0/1
CPA Nelson Nyongesa	Member	Jun-15	Aug-17	1/1

DEVOLUTION AND BRANCHES WORKSTREAM

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Rose Mwaura	Convenor (From Aug-17)	Aug-17		2/2
CPA Stephen Masha	Member	Jun-14		4/4
CPA Frank Soibe	Member	Aug-17		2/2
CPA Joseph Ndung'u	Member	Aug-17		2/2
CPA Antony Opondo	Member	Jun-14		4/4
CPA Stephen Kisoi	Member	Aug-17		2/2
CPA William Omondi	Member	Aug-17		2/2
CPA Ooko Marembo	Member	Aug-17		4/4
CPA David Kaberia	Member	Aug-17		1/2
CPA Francis Langat	Member	Aug-17		2/2
FCPA George Mokua	Convenor (To Aug-17)	Jun-14	Aug-17	2/2
CPA Peter Gichaaga	Member	Jun-15	Aug-17	2/2
CPA Hesbon Omollo	Member	Aug-15	Aug-17	2/2
CPA William Koech	Member	Jun-16	Aug-17	2/2

INTERNAL AUDIT WORK STREAM

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Denish Osodo	Convenor	Aug-17		1/1
CPA Derrick Majani	Member	Aug-17		1/1
CPA Jared Odhiambo	Member	Aug-17		1/1
CPA William Koech	Member	Aug-17		1/1
CPA Rosalind Murithi	Member	Aug-17		1/1
CPA Charles Tunga	Member	Aug-17		1/1
CPA Jack Wasonga	Member	Aug-17		0/1
CPA John Okumu	Member	Aug-17		1/1
CPA Simon Nabosu	Member	Aug-17		1/1

YOUTH AFFAIRS WORK STREAM

NAME	ROLE	WHEN APPOINTED	WHEN RETIRED	MEETING ATTENDANCE IN 2017
CPA Joshua Kamwere	Convenor	Aug-15		1/1
CPA Antony Mutua	Member	Aug-17		1/1
CPA Charles Kyengo	Member	Aug-17		1/1
CPA Chrispus Mbogo	Member	Aug-15		1/1
CPA Christopher Obunya	Member	Aug-17		1/1
CPA Derick Majani	Member	Aug-15	Aug-17	1/1
CPA Joel Kobia	Member	Aug-15		1/1
CPA Mary Masinde	Member	Aug-17		1/1
CPA Nelson Jalang'o	Member	Aug-16		1/1
CPA Olive Gitau	Member	Aug-17		1/1
CPA Samuel Ichura	Member	Aug-15	Aug-17	1/1





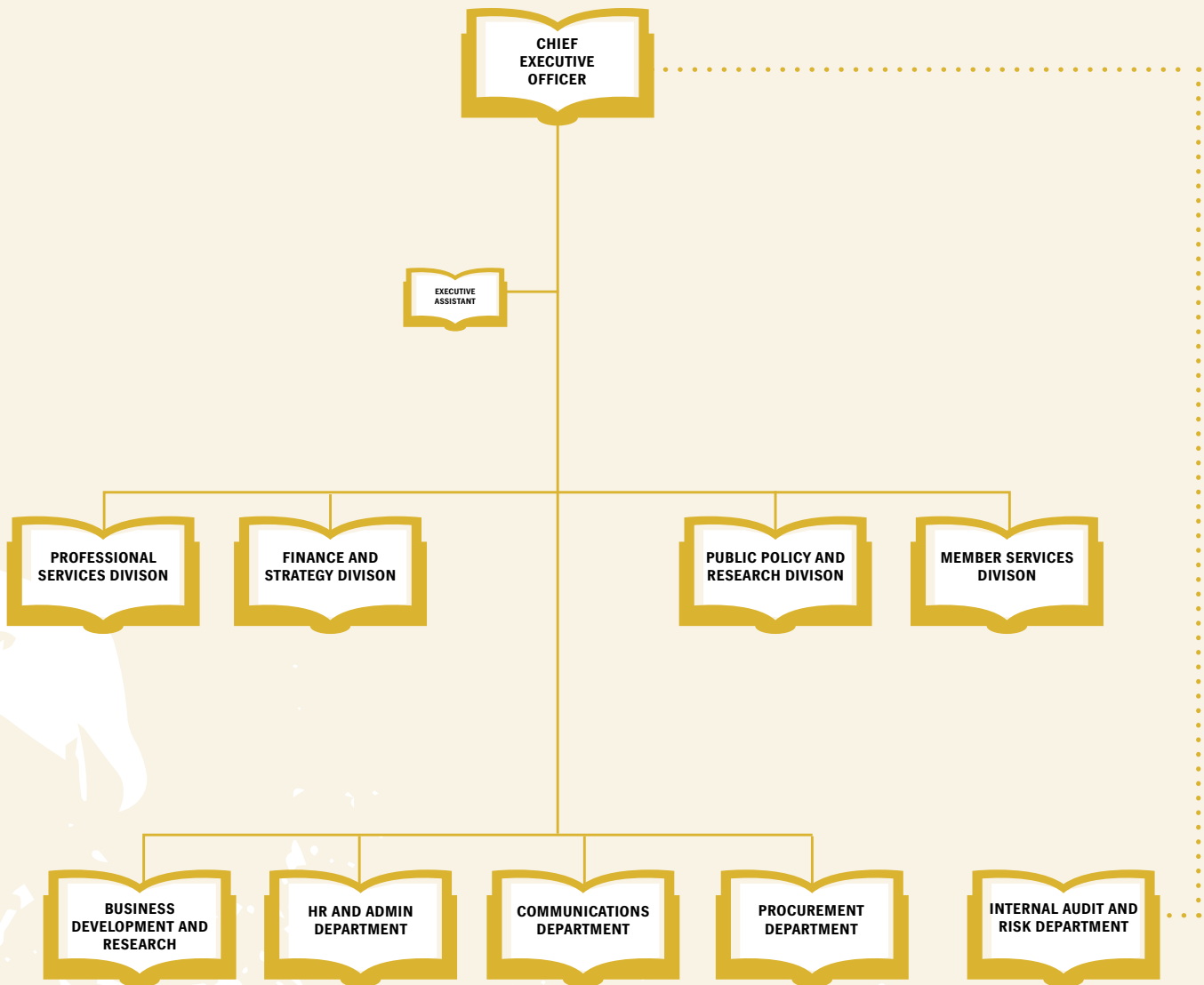
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COMMUNICATIONS AND INFORMATION OF
THE COTE D'IVOIRE
2014-2015



ADMINISTRATIVE STRUCTURE OF THE INSTITUTE

The day to day operations of the Institute are undertaken by the Chief Executive Officer together with his Senior Management team.



Corporate Structure

The Institute's organizational structure provides guidance to all employees as it lays out the official reporting relationships that govern the workflow. The Structure facilitates clear functions, responsibilities and roles for the execution of its mandate as outlined in the Accountants Act. The resultant feature ensures harmony across the levels as it facilitates distribution of responsibilities. Most importantly, the Institute's structure enables to attain the following:

1. Responsiveness to member services delivery.
2. Drive the Institute's strategic agenda.
3. Facilitate faster decision making.
4. Provision for specialization of functions thereby nurturing talents and growth of the Secretariat.

Moreover, the structure enables the Secretariat to drive the Institute's objectives to attain its vision and mission.

The Institute has a staff pool of 72 members represented in the ratios of 53% and 47% for male and female respectively.



A section of ICPAK Management Team: (From left) CPA Patrick Obura, CPA Cliff Nyandoro, CPA Grace Kamau, CPA Edwin Makori, Mr. Mbugua Njoroge, CPA Dan Mugo, Mr. Mohammed Doo and CPA Mercy Wahome



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FINANCIAL
INTEGRITY
AND
TRANSPARENCY



Strategic Rebound and Reviews



Strategic Plan

2016-2018 Milestones

The year ended December 2017 was the second year of the implementation of the ambitious ICPAK 2016-2018 Strategic Plan. As dictated by the best practices the management and the Council retreated in July 2017 to conduct a Mid-term review of the strategic plan. Key areas of the review were to evaluate the implementation status, the successes and failures experienced, in addition to challenges encountered during the implementation and the solutions going forward.

The review was also timely since it coincided with assumption of office by a new Chairman, Vice-chair and some new

council members. During the review, the Council considered congruent concepts and ideas with the current strategy that emanated from manifestos of all the contestants during the concluded 2017 Chairman and council elections. This mid-term review also gave the Council an opportunity to review the suitability of having some of strategic plan objectives and the process reclassified some to Strategic Plan activities. This process reshaped the focus for the second half of the implementation period for the strategic plan which ends in December 2018. The reviewed strategy therefore reduces the Strategic objectives from 29 to 18 and Sub-strategic objectives from 105 to 51 as set out in the table below.

**SUMMARY OF THE STRATEGIC PLAN (S-P)
BEFORE MID TERM REVIEW**

Pillar	Strategic Objectives	Number	Sub-Strategic Objectives	No
Pillar 1: Customer Focus	1 to 6	6	1 to 28	28
Pillar 2: Accountancy Regulation	7 to 13	7	29 to 63	35
Pillar 3: Thought Leadership	14 to 21	8	64 to 81	18
Pillar 4: Institutional Sustainability	22 to 29	8	82 to 105	24
		29		105

**SUMMARY OF THE STRATEGIC PLAN (S-P)
AFTER MID TERM REVIEW**

Pillar	Strategic Objectives	Number	Sub-Strategic Objectives	No
Pillar 1: Customer Focus	1 to 4	4	1 to 12	12
Pillar 2: Accountancy Regulation	5 to 8	4	13 to 28	16
Pillar 3: Thought Leadership	9 to 13	5	29 to 40	12
Pillar 4: Institutional Sustainability	14 to 18	5	41 to 51	11
		18		51

During the year the Institute made significant milestones on the implementation of the 2016-2018 Strategic Plan across the four pillars as highlighted below.

Pillar 1 - Customer Focus:

Key achievements made under this pillar were completion of members' satisfaction survey, development and implementation of internal service level agreements, member services benchmarking programs, implementation of market driven CPD program and development of ICPAK CSR strategy. These signposts assisted the Institute to best understand and serve its members.

Pillar 2 - Accountancy Regulation:

The Institute initiated and finalized the system for online members registration. Through this system, prospective members had a platform under which they would apply for membership at the comfort of their offices. Besides, members were also provided with an online platform to enable them generate letters of good standing at their own convenience. In order to achieve the audit firm compliance requirement,

the Institute rolled out a self-review monitoring tool that is pegged on issuance of annual licenses. As an active and valued member of IFAC in standards development the Institute contributed to all Discussion and Exposure drafts relevant to Institute jurisdiction that were issued by IFAC during the year.

Pillar 3 - Thought Leadership:

Thought leadership is core to the Vision of the Institute "Uphold Public Interest". During the year the Institute was actively involved in the thematic areas of research, Public policy, representation and stakeholder's engagements. Under this Pillar, the Institute managed to sign MOUs with SAICA, ACCA, Council of Governors, UFAA (Unclaimed Financial Assets Authority) and Toyota Kenya. In the interest of performing its core mandate, the Institute finalized a paper on attracting, developing and retaining finance professionals in the public sector. The Institute also held the Regional Conference on Financial Inclusion in collaboration with UNCTAD.

Successful contributions toward budget process was also noticeable during the preparation of the Budget FY 2017/18 and Finance Bill 2017 where the Institute made submissions to the National Treasury.

In collaboration with other members of Parliamentary Initiatives Network (PIN) process of developing a simplified guide for professionals, media and public guide on how to read Auditor's report was finalized.

Pillar 4 - Institutional Sustainability:

The Institute is aware of the fact that its existence is based on how best it creates a business model that creates value consistent with the long-term preservation and enhancement of financial, environmental and social capital. Under this Pillar the Institute was able to conduct, complete and implement the recommendations of the staff satisfaction survey; incorporate risk management as part of staff KPIs; increase the CSR activities by increasing the numbers of needy children supported through ICPAK scholarship; Refining career progression and succession planning framework.



ICPAK Chief Executive Officer CPA Edwin Makori presents an MoU to UFAA CEO CPA Kellen Kariuki

Enhanced Focus on Members

The Institute being a member body, one of our key pillars of success is excellence in member service. To this end the Institute has continued to polish its approach to member service through innovation and other forms of enhancement of operational efficiency and effectiveness. The benchmarks of the Institute's Member Services as a Division are:

- Consistently delivering world class customer experience;
- Positioning the Institute's brands among the top ten brands nationally in parity with similar brands;
- Internationally benchmarked customer satisfaction levels;
- Leadership in membership growth benchmarked globally;
- Globally bench marked customer value proposition for members;
- Enhanced professional development aligned to global professional accountancy standards.

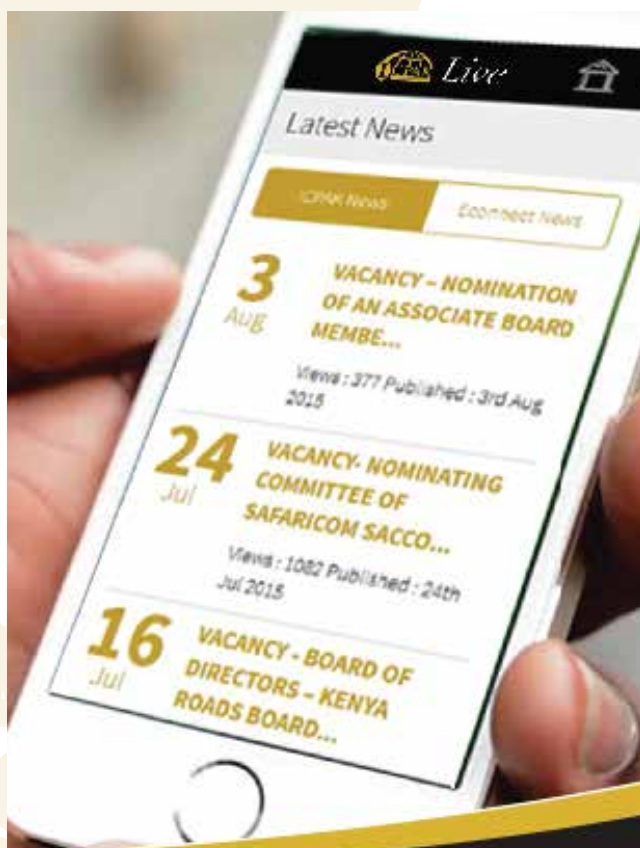
Quality of Service

For quality service, the Institute's Service Level Agreements (SLAs) were reviewed to ensure that service provision to members is of internationally benchmarked quality. The Institute continued to monitor service level performance through the automated Customer Relationship Management

(CRM) System. Surveys were conducted on regular basis to identify areas of improvement in service provision. The Institute continued distributing the QR code embedded Smart Cards to members. The Smart Card has three functionalities; member identification, service automation - the QR code embedded on them is a link between member records and automated customer services, and lastly, the card has financial feature - courtesy of our partner (National Bank of Kenya). The card can be also be activated and used as a credit card or a debit card. At 1.17% per month and a grace period 50 day each member qualifies for soft credit of KSh. 30,000 upon activation of the card that can be used to pay annual subscription, CPD events or other lifestyle benefits offered by the Institute.

Lifestyle Benefits

The Institute continued to provide more value for membership through products and services including discounts with Yana Tyres Centers Ltd, Tintoria Dry cleaners Limited and Tally Solutions Kenya Limited for internship opportunities. The Institute also rolled out the ICPAK Members Benevolent Scheme, that saw over 14,000 members register by the end of the year, and 14 claims out of 17 made paid out.



ICPAK Live



ICPAK Smart Card

Membership Growth

The Institute recorded a modest membership growth of more than 1500 new members. This was achieved against a backdrop of slow economic growth in the year 2017. Activities including company visits, graduate forums, database marketing and personal selling contributed to the numbers. In preparation for smooth transition from CPA studentship to membership of the Institute, the Division pretested the Trainee Accountants Practical Experience Framework (TAPEF) together with KASNEB. The framework allows CPA students to enroll in practical experience program early in the course to prepare them for full membership once they complete the CPA course. The impact will be increased membership and reduced time for full membership from the time one enrolls for CPA course.

Brand Promotion

The Institute has a role of promoting the ICPAK and CPA brands amongst its target audiences. To this end, ICPAK undertook various activities including participations in partner events, Accounting Students Associations events, the Annual KRA Tax week, university talks, donations to the needy and fundraising golf tournaments.

The Institute also embarked on engagement of brand ambassadors who will be used to promote and enhance

the Institute's brands. To be a brand ambassador, one is expected to exhibit impeccable professional acumen and have rendered outstanding service to the profession.

Members' Professional Development

Member Services Division of the Institute carries out professional development through Training and Development Department. International Accountants Education Standards (IESs) requires members of Professional Accountancy Organizations to provide Continuing Professional Development (CPD) opportunities to their members and to ensure that members comply with CPD requirements as part of their good-standing requirement.

Members are expected to attain a minimum of 40 CPD hours a year measured as an average over three consecutive years. Out of the 40 minimum hours, 25 must be structured.

Members who participated in the Institute's CPD activities during the year were 11,197 compared to 9,056 in 2016. Participation in evening and online category of events was most improved due to introduction of more CPD opportunities in this category to keep up with growth of members in the youth and associate categories.

The table below shows the data on event participation.

Event Category	Percentage Growth	Absolute Attendance
Main Events	18%	1,438
Branch Events	21%	2,337
Evening and online events	70%	7,422



Delegates attending the Regional Workshop on Financial Inclusion in July 2017 at a Nairobi hotel

Strategic Direction

Mission:

▼
Develop and promote internationally recognised accountancy profession that upholds public interest through effective regulation, research and innovation.

Credo:

▼
Uphold Public Interest.

Theme:

▼
Enhancing Public Confidence by Strengthening the Accountancy Profession with a Global Perspective.

Vision:

▼
A world class Professional Accountancy Institute.

Strategic Plan House



Promote Regulation of the Accountancy Profession

The Institute's Registration and Quality Assurance Committee (RQAC) is instrumental in promoting standards of professional competence and practice amongst members of the Institute.

The functions of the RQAC include:

- receiving, considering and approving applications for registration as an accountant and grant of practising certificates and annual licences in accordance with the provisions of the Accountants Act;
- monitoring compliance with professional quality assurance and other standards published by the Council for observance by the members of the Institute;
- prescribing regulations to govern quality assurance programmes, including actions necessary to rectify deviations from published standards;
- where appropriate and based on the results of a quality assurance review, recommend to the council that a member's conduct be referred for inquiry under section 32 of the Accountants Act;

- advising the Council on matters pertaining to professional and other standards necessary for the achievement of quality assurance; and
- performing any other functions incidental to the fulfilment of its objectives under the Accountants Act.

Registration and Quality Assurance

During the year under review, the RQAC made notable achievements regarding the registration, licencing and monitoring of members of the Institute as discussed below.

Registration of Members

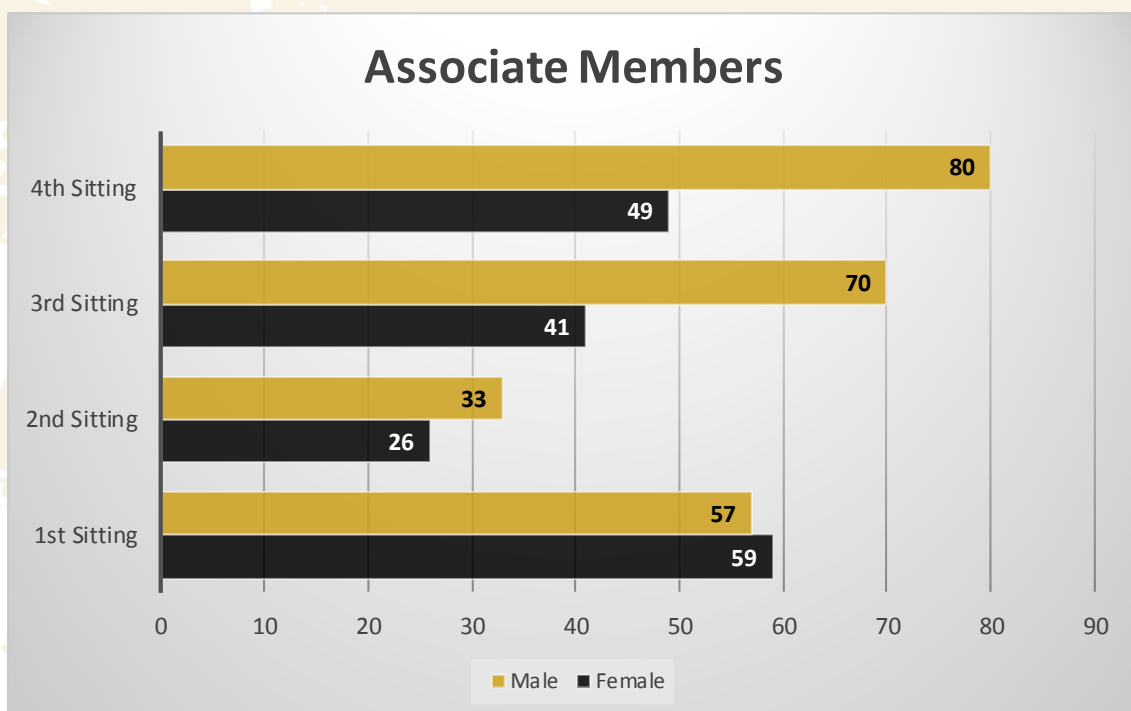
The RQAC received and considered applications for associate and full membership and practicing certificate applications. The Committee approved 453 applications for the Associate membership category, 1189 applications for the Full membership category and issued a total of 72 practicing certificates during the four sittings it held.

Auditor General FCPA Edward Ouko (right) and Hon. Thomas Mwandegü (left) at the Chairman's ball in December 2017

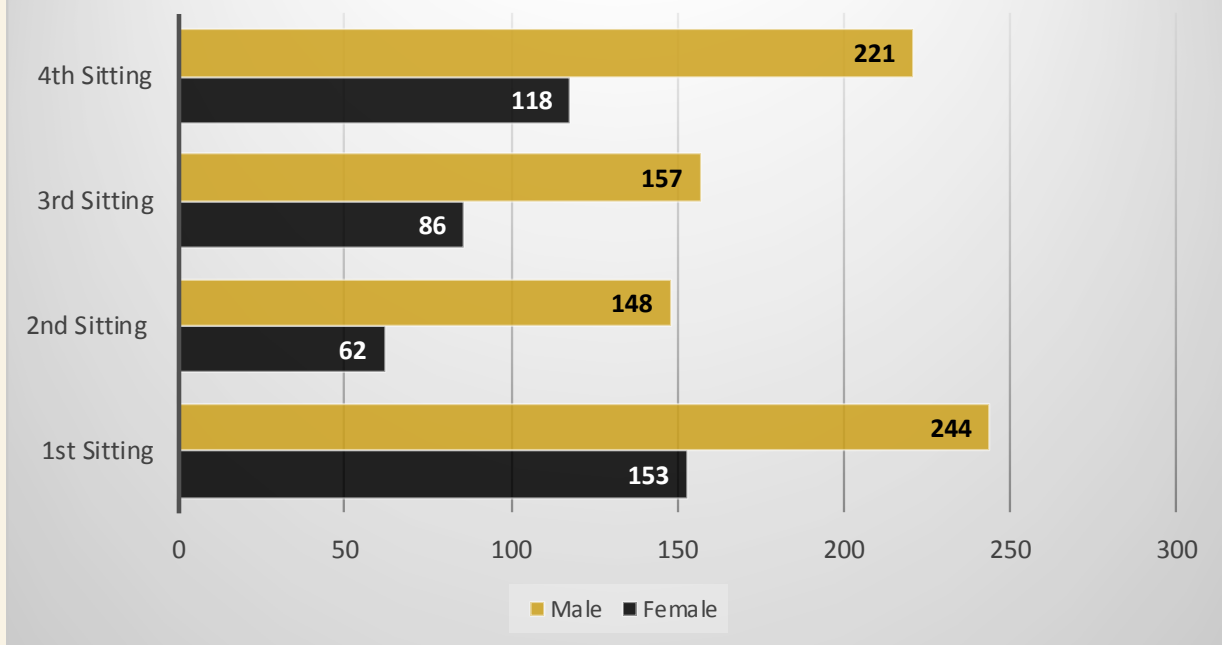




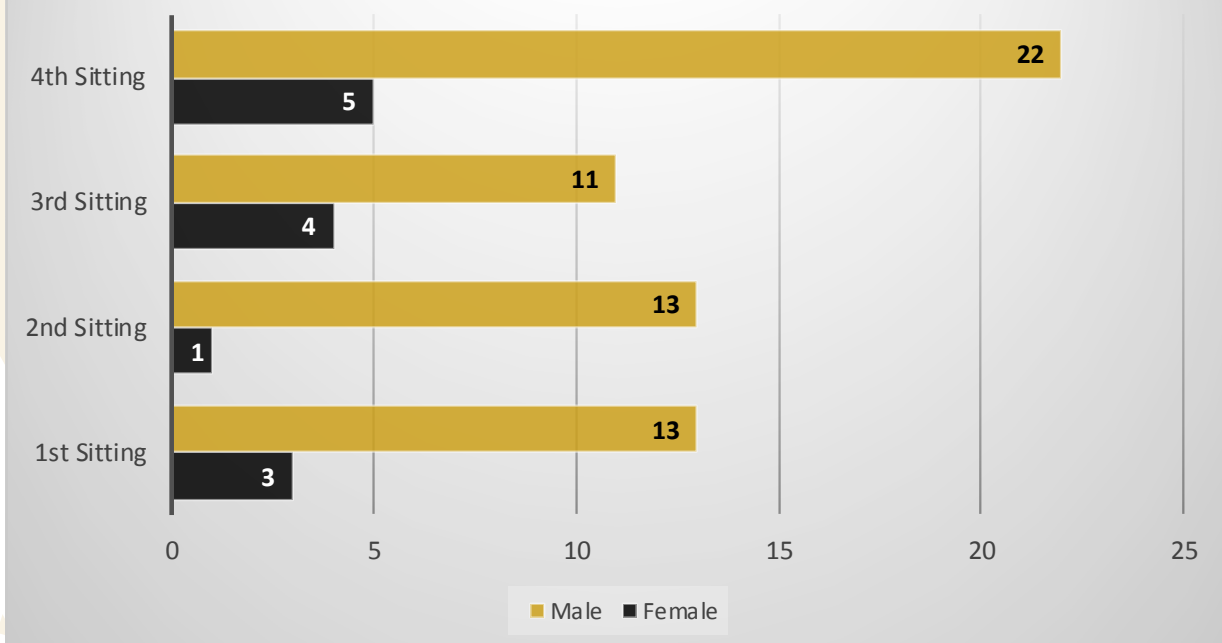
A demographic representation of members registered and practicing certificates issued in the year 2017 is provided as follows:



Full Members



Practicing Certificates Issued



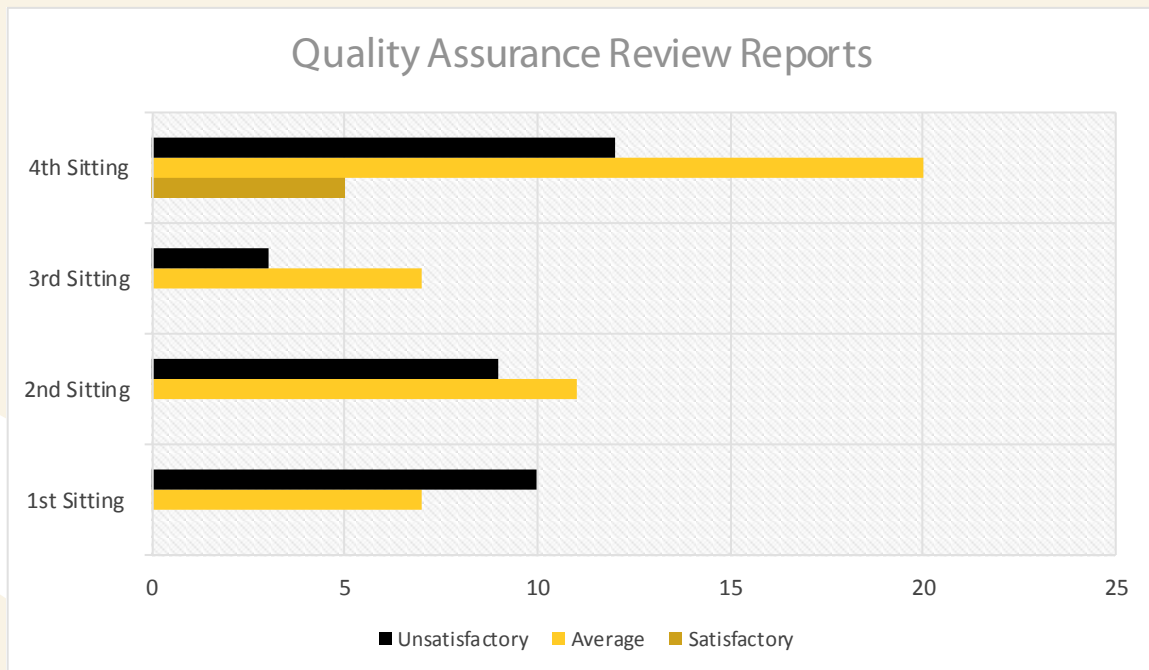
Compliance inspections and Quality Assurance

During the year under review, the Institute conducted 167 reviews, comprising of eighty-three (83) inspections and 84 monitoring visits were carried out compared to 97 visits carried out in the year 2016.

The Institute's quality assurance program monitor's compliance with professional standards, legal and regulatory requirements and other standards and guidelines issued by the Council for observance by the members of the Institute in practice.

Where deficiencies were identified, the Committee directs the member or members concerned to undertake necessary corrective actions to comply with professional standards and prescribed requirements to be observed in this respect.

Based on the results of quality assurance reviews, some members were referred to the Disciplinary Committee for inquiry.



FCPA Dr. Jim McFie - FiRe Award Chief Judge (right), Auditor General FCPA Edward Ouko (centre) and Ag. Professional Services CPA Nerbart Avutswa confer during 2017 FiRe Award conference

Promotion of Professional Standards and Practices

One of the key mandates of the Institute is to promote adherence to the highest professional standards and practices among members. This ensures that members' conduct strengthens public confidence and trust. The Institute coordinated and participated in the standard setting process by monitoring and commenting on exposure drafts and consultation papers issued by International Standard Setting Boards. During the year, the Institute responded to ten exposure drafts issued by IFAC and gave position papers and guidelines on various aspects affecting the accounting profession.

NO	DESCRIPTION	CATEGORY
1	Proposed Revisions to Clarify the Applicability of Provisions in Part C of the Extant Code to Professional Accountants in Public Practice	IESBA
2	The Exposure Draft, Prepayment Features with Negative Compensation (Proposed amendments to IFRS 9)	IASB
3	Proposed Revisions Pertaining to Safeguards in the Code—Phase 2 and Related Conforming Amendments	IESBA
4	Improving the Structure of the Code of Ethics for Professional Accountants—Phase 2	IESBA
5	Proposed International Standard on Auditing 540 (Revised), Auditing Accounting Estimates and Related Disclosures	IAASB
6	Proposed revision of International Accounting Education Standard (IES) 7 - Continuing Professional Development	IAESB
7	Financial Reporting for Heritage in the Public Sector	IPSASB
8	Property Plant and Equipment Profits before intended use proposed amendments to IAS 16	IASB
9	Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements	IESBA
10	The Exposure Draft Definition of Material proposes minor amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to clarify the definition and improve understanding of the current requirements.	IASB

Further, the Institute continued to promote adherence to professional standards through the issuance of technical releases, technical guidance and revisions. ICPAK website serves as an important media for members to access technical resources and a wide range of services.

Members were sensitized and trained on the need for compliance with the codes of professional standards, ethics,

rules, laws and regulations as well as sensitizing them on the new standards. This was achieved through various training, seminars and other forums held countrywide to keep members abreast with the new requirements.

Additionally, the Institute engaged various stakeholders and regulators in a bid to ensure that entities under the various jurisdictions complied with various requirements.

Financial Reporting Award (FiRe Award) 2017

The Institute in collaboration with the Capital Markets Authority (CMA), Nairobi Securities Exchange (NSE) and the Public-Sector Accounting Standard Board Kenya (PSASB) annually organizes the Financial Reporting (FiRe) Award which seeks to promote financial reporting excellence in the Country and across the East African region.

The objective of the FiRe Award is to promote financial reporting excellence, foster sound corporate governance practices and enhance corporate social investment and social reporting. The Award is aimed at enhancing accountability, transparency and integrity in compliance with International Financial Reporting Standards (IFRS) and other disclosures on governance, Integrated Reporting, social and environmental reporting by public, private and other entities domiciled in East Africa.



During the year under review, a total of 456 entities participated by submitting entries for evaluation. The process culminated with a FiRe Award Conference at Crowne Plaza Hotel on the 16th November 2017 and Gala Dinner at Carnivore Grounds on the 17th November 2017.

The overall winner was Sameer Africa Plc. With the public sector participating in the FiRe Award for the second time, The Office of the Controller of Budget emerged the

Winners in the International Public-Sector Accounting Standards (IPSAS) Cash Category. The Competition Authority of Kenya scooped the Award under the IPSAS Accrual Category in the Public Sector while the Kenya Electricity Generating Company (Kengen) emerged winners in the International Financial Reporting Standards (IFRS) segment in Reporting by State Corporations and Semi-Autonomous Government Agencies (SAGAs).



FiRe Award Promoters: (Left to right), Geoffrey Odundo (CEO NSE), Paul Muthaura (CEO CMA), CPA Edwin Makori (CEO ICPAK), and CPA Patrick Abachi (Head Public Accounting Standards Board Secretariat)

Positioning ICPAK as an Influential Voice of the Accounting Profession Globally

Public Policy

The Institute has continued to position itself as an influential voice in public policy and decision making at the county, national and global level. The Institute played a critical role in contribution to the development of the Third Medium Term Plan (2018-2022) of Vision 2030 by actively participating in the Financial Services and Devolution sectoral forums.

Contribution Legislative Development

The Institute constantly reviewed and made proposals on pieces of legislation that have an impact on the accountancy profession and the economy at large as illustrated in the table below:

Table 1: Summary of ICPAK Contribution to Legislative Agenda report 2017

No.	Piece of Legislation Reviewed	Recipient Institution
1.	Companies Act(Amendment) Bill 2017	National Assembly
2.	EAC cross border Trade in Professional Services Bill 2016	The State Department on EAC Affairs
3.	Nairobi International Financial Centre Bill (NIFC Bill)	National Assembly
4.	Companies(General)(Amendments) Regulations 2017	Director General, Business Registration Service, Attorney General's office
5.	Election Laws Amendment Bill 2017 and Election Offences(Amendment) Bill 2017	Joint Parliamentary Select Committee
6.	Registrar of Companies Rules(Forms), 2017	Director General, Business Registration Service, Attorney General's office
7.	Finance Bill 2017- Budget 2017/18	National Assembly
8.	Judicial Fund Regulations, 2017	Chief Registrar of the Judiciary



ICPAK and UNCTAD team in a jovial mood during Financial Inclusion conference at a Nairobi hotel

During the same period, the Institute made proposals on topical issues affecting the country. One outstanding issue was the petition before the Finance, Planning and Trade Committee-National Assembly, on the removal of FCPA Edward Ouko from Office. The Institute responded to this petition due to the fact that the petition pointed out matters that touch on the mandate of the Institute, in particular matters related to conflict of interest and threats to independence of the Auditor General.

Income Tax Regime in Kenya

In the area of public finance, the Institute made tremendous contribution to the tax policy in Kenya. In 2017, the Institute initiated efforts towards development of tax policy proposals to guide the drafting of the Income Tax Legislation. This exercise entailed consultative meetings with stakeholders from different sectors of the economy namely, agriculture, financial services, manufacturing, oil and gas, ICT, tourism and hospitality among others. In addition, the Institute conducted regional consultative forums across its nine branches to collect views and sensitize members and the public at large on the Income Tax regime in Kenya. The subsequent proposals were submitted to the National Treasury for consideration.

Budget Process

To inform ICPAK's contribution to the budget process

in Kenya, the Institute held a working meeting with the National Treasury to discuss its budget submissions for the fiscal year 2017/18 and the Finance Bill 2017. During the reporting period, the Institute received extensive media coverage during and after the presentation of the Budget Statement FY 2017/18 by the Cabinet Secretary, National Treasury through the following media outlets: KTN, K24, CNBC Africa, Inooro, Radio Citizen, Radio Nam Lolwe, Citizen and KBC TV.

Regional Workshop on Financial Inclusion for MSMEs

The Institute of Certified Public Accountants of Kenya (ICPAK) in partnership with the United Nations Conference on Trade and Development (UNCTAD) and ACCA organized a Regional Workshop on Financial Inclusion with a focus on policies and regulations on Accounting and Insurance and the attendant impact on Micro, Small and Medium Enterprises (MSMEs). The conference was held in July 2017 in Nairobi.

The Regional workshop attracted over 60 participants from across the continent. The Workshop was timely and relevant given the critical role MSMEs play in economic empowerment of the lower ranks on the economic ladder and an avenue for employment creation as recipe for economic development. According to the Kenya Bureau of Statistics data in 2016, there were 1.56 Million licensed and 5.85 Million unlicensed MSMEs. As such, their contribution to economic development cannot be ignored.

Tatiana Krylova from UNCTAD (left), CPA Edwin Makori - ICPAK CEO, CPA Gichana - Deputy OAG, Geoffrey Ochieng from (ACCA) and a representative attend the Regional African Workshop on Financial Inclusion



Urban Governance

During the year under review, the Institute supported various initiatives culminating into a breakfast meeting on Urban Governance in Kenya. Over 54 delegates attended the breakfast meeting. Members signed the Urban Non-State Nominating Agencies (UBNSNA) agreement for engagement. The agreement brings on board government and non-state actors to streamline the nomination to boards and committees at the county level.

Second ICPAK Annual Public Lecture on Ethics and Anti-Corruption

The Institute held a public lecture in Nairobi to commemorate

the National Anti -Corruption day on 9th December 2017, themed “Paying the price of Corruption in Kenya: For how long?” The event discussed issues of corruption in Kenya and how to deal with them.

Stakeholder Engagement

The Institute has proactively engaged and maintained good relationships with its stakeholders to ensure that issues affecting the accountancy profession are well addressed. During the year under review, the Institute engaged stakeholders as illustrated in the following table:

Table 2: Summary of ICPAK Stakeholder Engagement Report 2017

No.	Stakeholder Details	Key Result Area(s)
1.	Independent Electoral and Boundaries Commission(IEBC)	Strengthen democracy through credible electoral management
2.	National Assembly, Departmental Committee on Finance, Planning and Trade	Petition on removal of FCPA Edward Ouko from the Auditor General's Office
3.	National Treasury	Budget submission FY 2017/18 and draft policy proposals on taxation of income in Kenya
4.	Tax Appeals Tribunal (TAT)	Explored areas of partnership on tax administration and arbitration
5.	National Construction Authority (NCA)	Strengthening financial management and auditing within the construction industry
6.	KRA Commissioner General	Tax administration and policy in Kenya
7.	County Government of Kisumu	Strengthening devolution



CEO SAICA Dr. Terence Nombembe (fifth from left) and ICPAK CEO CPA Edwin Makori (sixth from left) inaugurate an MRA between ICPAK and SAICA in South Africa



Members of ICPAK South African Chapter during the launch of ICPAK - SAICA MRA in October 2017



Joseph Asmelash (left), Ms. Anne Wairimu (centre) and FCPA Jim McFie (right) during Financial Inclusion Workshop in Nairobi

Institutional Sustainability

The Institute has made considerable progress in the implementation of its Strategic Plan 2016-2018. During the implementation process the Institute has kept its aspiration on using its services to contribute to sustainability. This has been made possible through commitment to manage its resources responsibly and ethically.

Prioritizing People Development

The performance, passion and pride of ICPAK staff is a critical component of sustainable business. During the year, the Institute carried out a satisfaction survey to review

and understand the current level of satisfaction. Besides this, the survey provided feedback on staff concerns that deserve more attention in its endeavour to improve the Institute.

The Institute formulated the Succession Plan strategy framework as it strives towards business continuity through staff development and staff retention under talent management initiatives. The Institute took the initiative to undertake various trainings and staff development programmes in the areas of leadership, change management, Management and other technical areas to expose staff for better performance.

ICPAK Chairman FCPA Julius Mwatu (left) and ICPAK Vice Chairman CPA Rose Mwaura (right) meet staff members at ICPAK boardroom



Immediate former CEO DDr Patrick Ngumi (centre) pose for a photo with a section of staff members





ICPAK Chief Executive Officer CPA Edwin Makori makes his remarks during farewell dinner in honour of former CEO CPA DDr. Patrick Ngumi



ICPAK staff leads the audience to sing the National Anthem in one of Institute's CPD events



Immediate former CEO CPA DDr. Patrick Ngumi (second left) shares light moments with ICPAK staff

Looking Forward

As ICPAK marks its 40th Anniversary in the year 2018, the Institute is committed to establishing a long-lasting framework that will support its vision of being a World Class Professional Institute. Its continued role of developing and promoting internationally recognized profession is rooted in the culture of Upholding Public Interest through effective regulation, research and innovation.

As an active player in the international arena, the Institute in conjunction with Kenya Accounting and Secretaries Examination Board (KASNEB) will host for the first time the International Accounting Education Standards Board (IAESB) meeting in April 2018.

Through its activities IAESB enhances education by developing and implementing International Education Standards (IES) which enhances the competence of the global accounting professionals.

In line with devolution agenda, the Institute is looking forward to establishing and operationalizing physical branches across the country. This will ensure that members working at the county level have opportunities to have access of professional services right at their doorstep.

The Institute is cognizant of the role and contribution of practitioners offering professional services in Kenya. In a bid to build their professional capacity the Institute is preparing to launch a Firm Management guide in the year 2018. The guide is expected to among others; equip practitioners with technical skills and knowledge to be competent and efficient in the market; expose practitioners too soft career skills such as human resources development, branding and marketing.

The Institute is also expected to spearhead the implementation of IFRS (9) that takes effect on 1st January 2018. The new Standard replaces International Accounting Standard (IAS) 39 and is expected to be adopted globally on the effective date. Kenya is expected to adopt and implement the standard just like other jurisdictions globally. Due to the complexity of the standard, several challenges are anticipated during its implementation and adoption in Kenya. The Institute will endeavour to ensure smooth implementation of this new standard by players in public and private sector entities.

We are confident that the Institute's Strategic Plan for the year 2016- 2018 will continue to bear fruits and extend professional dividends to the users of the accounting services in Kenya and beyond.



ICPAK Enterprise Risk Management



Mai Mahiu fissure reappears on a busy Nakuru - Naivasha road
Photo: Business Daily

Risk Managemnt

The Institute is committed to the implementation of Enterprise Wide Risk Management Framework to ensure that there is a proactive process of evaluating events that may deter the Institute from achieving both strategic and operational objectives. To achieve this, the Institute has put in place a comprehensive risk management policy that is effected throughout the Institute and is complemented by the ICPAK risk management philosophy.

This includes dedicated risk champions fora which continuously undertake departmental risk assessment interventions with the concurrence of risk owners and facilitated by Internal Audit and Risk Department.

The departmental risk champions and risk owners would then evaluate risks and prescribe appropriate risk mitigation measures which are monitored for implementation. In line with international best practices, risks are comprehensively assessed on their probability, severity and the quality of the existing control environment; and managed through acceptance, transfer, avoidance or reduction measures.

On quarterly basis the Internal Audit and Risk presents before the Risk Management Committee of management significant risks for their appreciation and ownership.

Through the Audit Risk and Compliance Committee, the Council determines the levels of risk tolerance for the Institute and ensures that risk management is a continuous process by formally reviewing the significant risks every quarter.

The Audit, Risk and Compliance Committee of the Council evaluates the significant risks presented in every quarter to determine the impact of the residual risks as well as critique the effectiveness of mitigation measures implemented by management.

The resolutions of the Audit, Risk and Compliance Committee regarding management efforts in mitigation of significant risks are therefore reported to Council for adoption. These resolutions guides on the improvement of the risk management endeavours within the Institute.

During the the year ended 2017, the following are some of the significant strategic and operational risks which the Institute has been mitigating in a bid to pursue its mandate.

Strategic Risks	Mitigation Measures
Weak regulation and regulatory legislation for the Accountancy profession.	The Institute continues to work with stakeholders to review the Accountant Act.
Inadequate retention strategy for ICPAK membership.	The Institute continues to provide innovative value-add services to its membership.
Reputational risk against the CPA brand.	The Institute continues to enhance Audit Quality Assurance and increase surveillance on non-complaint members and non-registered practitioners.
Non-compliance with International Federation of Accountants' (IFAC's) Statement of Member Obligations (SMOs).	The Institute continues to be proactive in ensuring strict adherence to SMO guidelines.
Operational Risks	Mitigation Measures
Delayed outstanding payments from members.	The Institute continues to engage in aggressive debt collection in a bid to recover outstanding amounts.
Low occupancy level for the CPA Centre.	The Institute has developed robust marketing strategies to market the CPA Centre to improve uptake of rental space.
Delayed feedback to members.	The Institute continues to proactively explore appropriate mechanisms of providing feed back to its diverse membership.



Corporate Social Responsibility Report

Corporate Social Responsibility (CSR) has become one of the standard business practices of our time. For organisations, the overall aim is to achieve a positive impact on society while maximizing the creation of shared values for the owners of the business, its employees, shareholders and stakeholders.

The Institute has not been left behind on this trend. The Institute's CSR activities focus on Education, Charity and Environmental Conservation. Besides participation in various joint CSR programs, the Institute raised Ksh. 1,921, 000 in 2017 through Charity Golf and sponsorship as compared to Ksh. 626,000 in 2016. The Institute is currently supporting eight students under ICPAK Scholarship for Accounting and Finance Students.



ICPAK members donating food stuff to young disabled women at Shanzu Transitional Workshop in Mombasa



KCA student in animated engagement in one of ICPAK mentorship forum



Auditor General FCPA Edward Ouko (centre) poses for a photo with other golf players in July 2017



Golf players in their element at Nyali Golf Club

Reaching Out





Communication and Publicity

The Corporate Communications department has continued to position ICPAK as an influential voice of the accounting profession locally and globally. Through this, the Institute has contributed to shaping public policy with a focus on good corporate governance, accountability in financial management and support of devolution process. ICPAK actively engaged with the media to communicate the issues affecting the accountancy profession and articulate its brand and strategic objectives of building competency, quality and reputation.

The Institute identified key public policy issues and shared its views through conventional media and social media outlets. Key to this is communicating issues and concerns transparently via the media and other public channels to improve public and members' recognition of the challenges facing the Institute and the Accountancy Profession. This is essential if the reputation of the profession is to remain synonymous with credibility, professionalism, accountability, quality, trust and integrity.

Against this backdrop, the Institute has managed to maintain a consistent presence in the country's media space. Indeed, ICPAK Chairman, Chief Executive Officer and other representatives from the Institute were highly sought after for business interviews in which they

elaborated on matters of public interest as well as making known of the Institute's stance on key issues and its vision for a sustainable, mature and relevant profession.

ICPAK has endeavoured to create a structured and better way of communicating with members by providing updates to them on significant issues that the Institute gets involved in as well as enhance the ICPAK's responsiveness to member queries and concerns on a timely manner. The Institute has continued to rely on its website and social media platforms to communicate in real time with its members in Kenya and those serving in other jurisdictions. The Institute has embraced this mode of communication to be in tandem with global communication dynamics.

Additionally, e-connect and CPD Express have remained veritable and reliable online members' update newsletters. Besides, the Institute is proud to have the Accountant Journal, whose consistency and in-depth analysis of issues, since publication of the first edition in 1980, has positioned the journal as a vanguard of professional express on matters of public interest. The Institute also publishes the Chairman's newsletter, Staff Digest, and Technical newsletter. The pluralism of these publications has enabled the Institute to facilitate targeted communication to its different stakeholder segments.



ICPAK immediate former Chairman FCPA Fernandes Barasa (second from left) addresses a press conference in Mombasa



ICPAK Chairman FCPA Julius Mwatia engaging media in late 2017



Snapshots of Newsletters in 2017



Snapshots of Journals in 2017



Media Monitoring 2017 • Category 1: Print

No	DATE 2017	PUBLICATION	SUMMARY/ HEADLINE	PAGE	SLOT	TONALITY	SPECIFICATION
1.	January 16th	People Daily	Unlicensed audit firms risk penalty as ICPAK carries out inspections	Page 19	Business	positive	Half page
2.	February 16th	People Daily	ICPAK Roots for audit standards	Page 22	Business news	positive	Quarter page
3.	February 14th	Business Daily	Blow to accountants as bid to fix professional fees flops	Front page	Business news	negative	Full page
4.	February 14th	Daily Nation	Auditors pay the price for exposing corruption	Page 38	Business news	neutral	Full page
5.	February 16th	Business Daily	ICPAK orders disclosure of key audit queries to shareholders	Page 20	Business	positive	Full page
6.	February 21st	People Daily	Change Tax policy, ICPAK urges state	Page 16	Technology	positive	Quarter page
7.	March 21st	Daily Nation	How technology is reshaping accounting	Page 37-39	Business	positive	Full page
8.	April 20	Business Daily	ICPAK raises concern over county assets audit	Page 19	Business	positive	Half page
9.	April 21st	Business Daily	Treasury's Sh.1.7tr revenue target a tall order, says accountants	Page 7	Business	positive	Quarter
10.	April 21st	The Standard	Lobby cautions on debt	Page 59	Business	positive	Quarter page
11.	April	Business Daily	Ouko blames poor use of county cash on unqualified officials	Page 15	Business	positive	Quarter page
12.	April 20	Daily Nation	Accountants raise the alarm over county assets delay	Page 43	Business	positive	Quarter page
13.	May 26th	Daily Nation	Auditors push for guidelines in review of the Income Tax Law	Page 19	Business	positive	Half page
14.	May 25th	Daily Nation	Call to increase agriculture cash to curb food insecurity	Page 10	County news	positive	Quarter page
15.	May 26th	The Star	Join politics to solve problems, middle class urged. Sen Hassan urges accountants- Annual Seminar	Page 30	Business news	positive	Quarter page
16.	May 25th	Daily Nation	Auditors seek 10pc agriculture budget	Page 38	Business	negative	Quarter page
17.	June 14th	Business Daily	Accountants plan tighter rules to lock out quarks	Page 20	Business news	positive	Quarter page
18.	5th July	Daily Nation	Congratulatory message to new council members	Page 6		positive	Half page
19.	July 7th	Daily Nation	Promote peace, ICPAK Chairman tells politicians	Page 38	Business news	positive	Half page

Media Monitoring 2017 • Category 1: Print

No	DATE 2016	PUBLICATION	SUMMARY/ HEADLINE	PAGE	SLOT	TONALITY	SPECIFICATION
20.	July 30th	Daily Nation	Accountants warn against watering down salary review	Page 3	Business	positive	Quarter page
21.	July 18th	Daily Nation	ICPAK questions the cost of Jubilee, NASA manifestos	Page 16			Quarter page
22.	1st August	Business Daily	Pictorial-Financial Reporting Awards launch	Page 33	Business	positive	
23.	1st August	Daily Nation	Financial Reporting award launch	Page 33	Business News-Pictorial	positive	
24.	1st August	Business Daily	Awards to rope in schools and CDF	Page 20	Business	positive	1/8
25.	2nd October	Business Daily	FiRe Award entries top 300 as public entities dominate				
26.	3rd October	The Standard	ICPAK confirms Makori as top boss	Page 29			
27.	3rd October	People Daily	ICPAK Confirms Makori as Chief executive				
28.	12th October	People Daily	Political tensions triggering economic slump, warns ICPAK	Page 18	Business	positive	1/8
29.	12th October	The Coast	Stop killing our economy: ICPAK raises red flag to politicians	Page 8			1/8
30.	12th October	Daily Nation	Job crisis looms, warn lobbies	Page 9	Business		1/2
31.	3rd November	Business Daily	FiRe Awards delay to ease audit of county books	Page 20	Business		1/8
32.	17th November	Daily Nation	FiRe Award press conference pictorial	Page 34	Business		
33.	20th November	Business Daily	Public Bodies yet to adopt reporting rules	Page 2	Business		Full page
34.	20th November	Daily Nation	Public Sector faulted on financial reporting standards	Page 29	Business		1/2

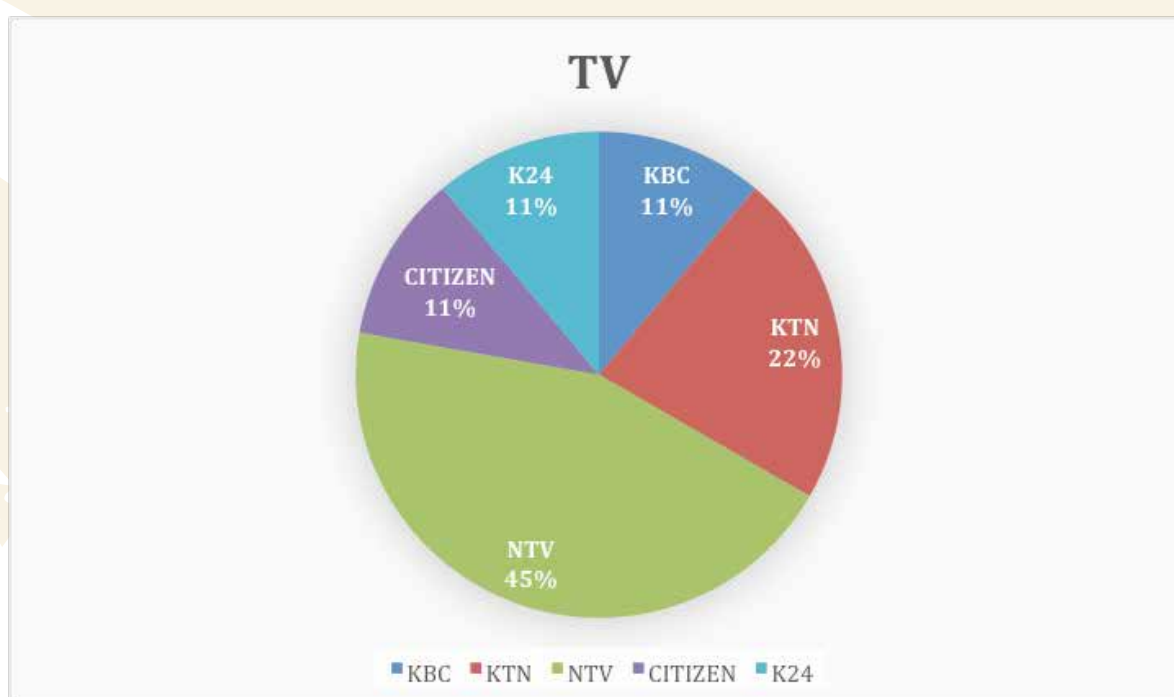
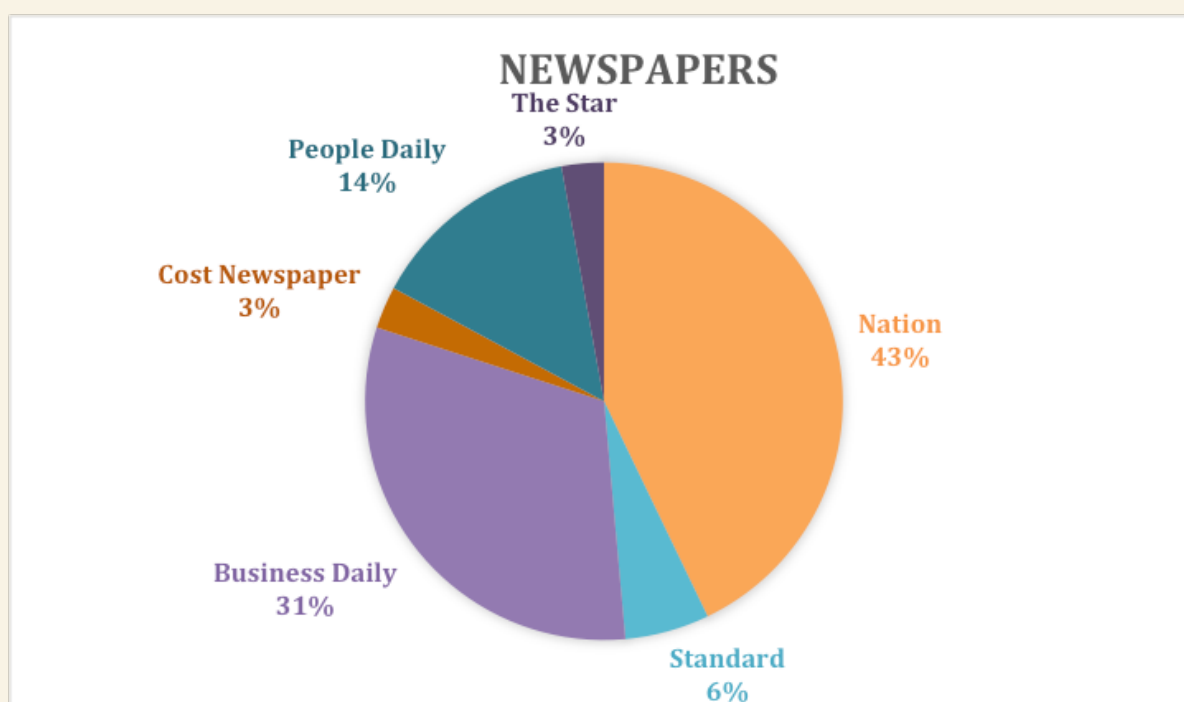
Media Monitoring 2017 • Category 2: TV

DATE 2017	CHANNEL	SUMMARY	TIME
6th July 2017	NTV	ICPAK voices concern over the increasing trend of industrial strikes	0.56
	NTV	Government urged to undertake due diligence before investing in Nakumatt	0.57
	NTV	ICPAK tells politicians to manage their supporters to avoid violence	1.05
	K24	ICPAK supports proposal to reduce salaries for state officers	
06 July	NTV	ICPAK tells politicians to manage their supporters to avoid violence	
11th October	Business Daily Africa	ICPAK warns of economic meltdown and job cuts if repeat election stand-off isn't addressed soon	2.31
12th October	Citizen TV	ICPAK warns of economic crisis if political standoff is not resolved	1.22
12th October	KBC	ICPAK calls on county governments to hire professionals only	2.51

Media Monitoring 2017 • Category 3: Online

DATE 2017	WEBSITE	SUMMARY	LINK
		The Institute of Certified Public Accountants of Kenya, ICPAK says implementation of the Public Financial Management Act remains the biggest challenge.	https://www.youtube.com/watch?v=6eRJbufNkmE
1st March	Capital News	Auditor General Ouko 'is a good man' – ICPAK	
	Daily Nation	http://www.nation.co.ke/business/Lobby-raises-red-flag-on-accounting-malpractice--/996-3940892-i3kjagz/index.html	

Summary



Samples of press cuttings generated in 2017



Samples of press cuttings generated in 2017



Financial Review

AUDITED FINANCIAL
STATEMENTS FOR THE
FINANCIAL YEAR ENDED
31ST DECEMBER 2017





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Institute Information For the Year Ended 31 December 2017

Members of the Council

Chairman	:	FCPA Fernandes Barasa	- retired June 2017
	:	FCPA Julius Mwatu	- elected June 2017
Vice- Chairman	:	CPA Rose Mwaura	- re-elected June 2017
Members	:	CPA Obare Nyaega	- re-elected June 2016
		CPA Denish Osodo	- elected June 2017
		CPA Susan Oyatsi	- re-elected June 2017
		CPA June Kivinda	- elected June 2015
		CPA Samuel Okello	- elected June 2015
		Mrs. Damaris Kimosop	- representing other profession
		CPA Geoffrey Malombe	- representing National Treasury
		FCPA Pius Nduatih	- representing kasneb
		FCPA Wycliffe Shamiah	- representing CMA
Chief Executive Officer & Secretary to the Council :		CPA Edwin Makori	

Council Committees

Committee:	Chairperson/Convenor:
Audit Risk and Compliance	CPA Denish Osodo
Disciplinary	FCPA Charity Muya
Finance and Strategy	CPA June Kivinda
Member Services	CPA Samuel Okello
Practitioners Development	CPA Rose Mwaura
Professional Standards	FCPA Michael Mugasa
Public Policy and Governance	FCPA Julius Mwatu
Registration and Quality Assurance	FCPA Dr. Jim McFie
Research and Development	CPA Obare Nyaega

KCA University Representatives

Board of Trustees	FCPA Fernandes Barasa	- retired October 2017
	FCPA Joe Muchekhehu	- retired October 2017
	FCPA Steve Lugalia	- retired October 2017
	Prof. Hellen Mwanzi	- retired October 2017
	Ms. Margaret Chemengich	- retired October 2017
	Eng. Patrick Obath	- retired October 2017
	FCPA John Kabiru	- retired October 2017
	Michael Waweru	- appointed November 2017
	FCPA Shabir Issak	- appointed November 2017
	FCPA Julius Mwatu	- appointed November 2017
	CPA David Abwoga	- appointed November 2017
	CPA Dr. Winnie Nyamute	- appointed November 2017
Finance Committee	CPA Everlyne M. Muriuki	
Audit Risk and Governance Committee	CPA Charles Ringera	

Secretary to the Council

CPA Edwin Makori
P. O. Box 59963 – 00200
NAIROBI

Institute Information For the Year Ended 31 December 2017 (Continued)

Registered Office and Principal Place of Business

CPA Centre
Ruaraka, Thika Road
P.O. Box 59963 - 00200
NAIROBI
Telephone : +254 (020) 2304226, 2304227
Mobile : +254 727 531006/733 856262/721 469796/ 721 469169
E-mail : icpak@icpak.com
Website : www.icpak.com

Independent Auditor

Parker Randall Eastern Africa
Certified Public Accountants
Cara House, Karen Road, Karen
P.O. Box 25426 – 00100
NAIROBI

Principal Bankers

Standard Chartered Bank of Kenya Limited
Ruaraka Branch
P.O. Box 32886 - 00600
NAIROBI

Barclays Bank of Kenya Limited
Moi Avenue Branch
P.O. Box 30116 - 00100
NAIROBI

Legal Advisors

Hamilton Harrison & Mathews
4th floor, ICEA Building
Kenyatta Avenue
P.O. Box 30333 – 00100
NAIROBI

The Council submits its report and the audited financial statements for the year ended 31 December 2017, which show the state of the Institute's financial affairs.

The Institute of Certified Public Accountants of Kenya is a body corporate established in 1978 under the provisions of the Accountants Act, Chapter 531 of the Laws of Kenya (re-enacted as the Accountants Act No. 15 of 2008) and is domiciled in Kenya. The address of the registered office is set out on page 96.

The principal activities of the Institute are to promote standards of the professional competence and practice amongst members of the Institute; to promote research into the subject of Accountancy and Finance and related matters, and the publication of books, periodicals, journals and articles in connection therewith; to promote international recognition of the Institute and the CPA brand; advice the Kenya Accountants and Secretaries National Examination Board (kasneb) on matters relating to examinations standard and policies; and to advise the Minister responsible for finance on matters relating to financial accountability in all sectors of the economy.

	2017 No.	2016 No.
Active members at end of year	19,153	18,612
Active members at beginning of year		
Practicing	1,070	1,010
Non practicing	15,126	13,756
Overseas	457	451
Retired	543	535
Associates	1,416	959
	18,612	16,711
New members in the year	1,642	2,178
Deceased and change of status	(87)	58
	20,167	18,947
Members in default	(1,135)	(553)
- written off		
- recovered	121	218
Active members at end of year	19,153	18,612
Full members	17,443	17,196
Associate members	1,710	1,416
Active members at end of year	19,153	18,612

Results for the Year	2017 Kshs. '000'	2016 Restated Kshs. '000'
Total Comprehensive Income for the year	18,344	464,370

Report of the Council For The Year Ended 31 December 2017 (Continued)

5. Members of the Council

The council members who held office during the year and to the date of this report are listed on page 95.

6. Financial Statements

At the date of this report, the Council was not aware of any circumstances which would have rendered the values attributed to the assets in the financial statements misleading.

7. Auditor

Parker Randall Eastern Africa has expressed its willingness to continue in office.

By Order of the Council



CPA Edwin Makori
**Chief Executive Officer
and Secretary to the Council**

Statement of the Council Responsibilities on the Financial Statements For the year ended 31 December 2017

The Accountants Act No. 15 of 2008 read together with ISA 580 (par 8) require the Council to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Institute as at the end of the financial year and of its operating results for the year. It also requires the Council to ensure that the Institute keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Institute. The Council is also responsible for safeguarding the assets of the Institute.

The Council accepts responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. It also accepts responsibility for:

- I. designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- II. selecting and applying appropriate accounting policies; and
- III. making accounting estimates and judgments' that are reasonable in the circumstances.

The Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Institute as at 31 December 2017 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

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

Approved by the Council on 23rd May 2018 and signed on its behalf by:-



FCPA Julius Mwatu
Chairman



CPA June Kivinda
**Convenor Finance and
Strategy committee**



CPA Edwin Makori
**Chief Executive Officer
and Secretary to the Council**

Report of the Independent Auditor To the members of the Institute of Certified Public Accountants of Kenya For the year ended 31 December 2017

Opinion

We have audited the accompanying financial statements of the Institute of Certified Public Accountants of Kenya (ICPAK/ the Institute), set out on page 105 to 141, which comprise the statement of financial position as at 31 December 2017, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes comprising a summary of the significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2017 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters.

Report of the Independent Auditor
To the members of the Institute of Certified Public Accountants of Kenya
For the year ended 31 December 2017 (Continued)

Key audit matter	How the matter was addressed
<p>Investment property</p> <p>The significance of the balance to the Institute's financial statements as a whole, combined with the significant judgments associated with determining the fair value.</p> <p>The Institute's investment properties are located at the CPA Centre, Ruaraka, Nairobi County. As at 31 December 2017, the Institute's investment properties amounted to Kshs. 1.6 billion and represented 81% of the Institute's total assets.</p> <p>All of the Institute's investment properties are stated at fair value based on valuations carried out by independent qualified professional valuers.</p> <p>The valuations are dependent on market prices which involve the valuer's significant judgment. Details of the valuations are disclosed in Note 14 to the financial statements.</p> <p>Restatement: in the period under review, Kshs 51 million initially recognized as investment property was transferred to property plant and equipment since it related to partitioning of the floor space occupied by ICPAK.</p> <p><i>Refer to pages 114 and 132 respectively on financial disclosures notes 1(f),13 and 14</i></p>	<p>Our procedures in relation to the key audit matter included, among others:</p> <p>Independent confirmation of the existence, completeness, ownership rights & obligation, presentation and disclosures of these properties.</p> <p>Evaluating the competence, capabilities and objectivity of the Valuers;</p> <p>Obtaining an understanding of the valuation process and techniques adopted by the Valuers to assess if they are consistent with industry norms; and</p> <p>Obtaining the valuation reports and comparing them to publicly available information of similar comparable properties and our knowledge of the real estate industry.</p> <p>Restatement:</p> <p>In determining and ultimately approving the restatement, as well as the impact of the restatement on the financial statements;</p> <ul style="list-style-type: none"> • We obtained the initial bill of quantities for the construction of the CPA Centre Building • We determined that the contractor had actually carried out the bill of works as stated in the contract

**Report of the Independent Auditor
To the members of the Institute of Certified Public Accountants of Kenya
For the year ended 31 December 2017 (Continued)**

Key audit matter	How the matter was addressed
<p>Information Technology (IT) systems and control</p> <p>We identified the Institute's IT environment in which the Institute's billing systems reside, including interface controls between different IT applications.</p> <p>The purpose of the work was to support our ability to rely on controls for the purpose of this report, as the Institute's financial accounting and reporting systems are heavily dependent on complex systems. In particular, the recording and financial reporting of transactions and balances related to revenue, Subscriptions, rental income and members' services are significantly dependent on IT systems.</p> <p>The IT system environment introduces risks related to system access, data transfer from one system to another and change management which is the Institute's process of managing changes to its software applications and IT infrastructure.</p> <p>A particular area of focus related to logical access management including privileged 3rd party developer access to its system, review of transaction logs to maintain processing integrity and reduce the risk of disruption to information systems and business operations.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Evaluating the design and testing the operating effectiveness of the controls over the continued integrity of the IT systems that are relevant to financial reporting. • Examining the framework of governance over the Institute's IT organization and the controls over access to programs and data, program changes, IT operations and program development. • Where necessary, carrying out direct tests of certain aspects of the security of the Institute's IT systems including logical access management and segregation of duties.
<p>Revenue Cycles (Income, Collections, Banking & Accounts Receivables)</p> <p>The revenue cycle continues to be the primary area of fraud and abuse globally therefore requiring strong, comprehensive internal controls.</p> <p>Due to the multitude and variety of contractual terms across the Institute, the estimation of discounts, incentives, credit terms, write offs and rebates recognized based on invoices made during the year is considered to be complex.</p> <p>We focused on the assessment of the inherent risk associated with the revenue cycle and performed tests to determine the cycle are relatively free of error or fraud.</p> <p><i>Refer to pages 113,117,124,125,126,127,128,129 and 134 respectively on financial disclosures notes 1(d), 1(p),5,6,7,8,9,10,11,17 and 20</i></p>	<p>Our audit procedures included;</p> <p>Understanding of the Institute and its environment to consider inherent risk, including fraud risks, related to receivables and revenues.</p> <p>We obtained an understanding of internal control over receivables and revenues and assessed the risks of material misstatement and designed tests of controls and substantive procedures to confirm the existence and completeness of receivables and revenue transactions.</p> <p>We also assessed sales transactions taking place before and after year-end to ensure that revenue was recognized in the correct period and assessed the accuracy of the sales recorded, based amongst others, inspection invoices. We also assessed the adequacy of the sales disclosures contained in Note 4, 5, 6 & 7.</p>

Report of the Independent Auditor To the members of the Institute of Certified Public Accountants of Kenya For the year ended 31 December 2017 (Continued)

Other information

The Council is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's responsibility for the financial statements

The Council is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the Institute'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 the Council either intend to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

Report of the Independent Auditor
To the members of the Institute of Certified Public Accountants of Kenya
For the year ended 31 December 2017 (Continued)

- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Victor Majani – Practising Certificate No. 1546.



Parker Randall Eastern Africa
Certified Public Accountants
Nairobi

23rd May 2018

Financial Statements for the year ended 31 December 2017

Statement of Income and Expenses and Other Comprehensive Income for the year ended 31 December 2017

	Note	2017 Kshs. '000'	2016 Restated Kshs. '000'
Income			
Subscriptions	5	196,822	192,101
Members' services	6(a)	410,073	404,750
CPA Centre Rental	7(a)	49,473	7,386
Social responsibility activities	8(a)	1,921	626
		658,289	604,863
Expenses			
Member services	6(b)	211,096	199,667
Social responsibility	8(b)	2,004	1,021
Operating expenses	9	378,275	364,138
		591,375	564,826
Operating surplus		66,914	40,037
CPA Centre Finance Cost	7(b)	(64,964)	(32,825)
Operating surplus		1,950	7,212
Net grant income	10(b)	2	-
Other income	11	5,671	4,902
Fair Value Gain /(loss) on Investment Property	14	15,316	(3,117)
Surplus for the year		22,939	8,997
Deferred tax	29	(4,595)	-
Surplus after Deferred tax		18,344	8,997
Other comprehensive income			
Revaluation surplus	12&13	-	455,373
Total comprehensive income for the year		18,344	464,370

The notes set out on pages 109 to 141 form an integral part of the financial statements.

Financial Statements for the year ended 31 December 2017 (Continued)

Statement of Financial Position as at 31 December 2017

	Note	2017 Kshs. '000'	2016 (Restated) Kshs. '000'
ASSETS			
Non current assets			
Property and equipment	12	78,188	98,941
Investment property	14	1,600,000	1,550,000
Intangible assets	16	3,033	1,695
Other receivables	17	111,257	111,257
Investment in CPA Centre Limited	18	50	50
		1,792,528	1,761,943
Current assets			
Inventories	19	4,321	4,665
Deferred grant expense	10(c)	48	-
Trade and other receivables	20	150,811	148,857
Cash and bank balances	21	29,445	42,419
		184,625	195,941
Total assets		1,977,153	1,957,884
EQUITY AND LIABILITIES			
Equity			
General fund		1,051,942	1,032,198
Revaluation reserve		100,725	100,842
Designated fund	22	6,817	6,919
		1,159,484	1,139,959
Non-current liabilities			
Deferred Tax	29	3,660	-
Due to CPA Centre Limited	27	50	50
Borrowings	24	369,338	413,490
		373,048	413,540
Current liabilities			
Deferred Grant Income	10(c)	-	4,475
Borrowings	24	74,930	61,784
Trade and other payables	25	235,858	190,497
Deferred subscriptions		53,038	66,834
Retention on construction	23	80,795	80,795
		444,621	404,385
Total equity and liabilities		1,977,153	1,957,884

The financial statements on pages 105 to 141 were approved by the Council on

23rd May 2018

and signed on its behalf by:



FCPA Julius Mwatu
Chairman



CPA June Kivinda
Convenor Finance and
Strategy Committee



CPA Edwin Makori
Chief Executive Officer and
Secretary to the Council

Financial Statements for the year ended 31 December 2017 (Continued)

Statement of Changes in Equity

	General Fund Kshs. '000'	Revaluation Reserve Kshs. '000'	Designated Fund Kshs. '000'	Total Kshs. '000'
Year Ended 31 December 2016 (as reported)				
As at 1 January 2016	613,923	54,352	5,561	673,836
Total comprehensive income for the year	416,970	-	-	416,970
Contributions	-	-	1,753	1,753
Revaluation of property	(407,696)	407,696	-	-
Transfer of excess depreciation	2,258	(2,258)	-	-
Deficit from social responsibility	395	-	(395)	-
At 31 December 2016 (as reported)	<u>625,850</u>	<u>459,790</u>	<u>6,919</u>	<u>1,092,559</u>
Total comprehensive income for the year	47,400	-	-	47,400
Revaluation of property	(47,677)	47,677	-	-
Transfer of excess depreciation	(1,071)	1,071	-	-
Revaluation of property	407,696	(407,696)	-	-
At 31 December 2016 (as restated)	<u>1,032,198</u>	<u>100,842</u>	<u>6,919</u>	<u>1,139,959</u>
Year Ended 31 December 2017				
At 1 January 2017	1,032,198	100,842	6,919	1,139,959
Total comprehensive income for the year	18,344	-	-	18,344
Prior Years Adjustments (Deferred tax)	935	-	-	935
Prior Year Adjustment (Depreciation)	265	-	-	265
Contributions to CSR fund	-	-	(19)	(19)
Transfer of excess depreciation	117	(117)	-	-
Deficit from social responsibility	83	-	(83)	-
At 31 December 2017	<u>1,051,942</u>	<u>100,725</u>	<u>6,817</u>	<u>1,159,484</u>

The notes set out on pages 109 to 141 form an integral part of the financial statements.

Financial Statements for the year ended 31 December 2017 (Continued)

Statement of Cash Flows

	Note	2017 Kshs. '000'	2016 (Restated) Kshs. '000'
CASH FLOWS FROM OPERATING ACTIVITIES:			
Total comprehensive income for the year		18,344	464,370
Adjustments for:			
Fair value adjustment of investment property	14	(15,316)	3,117
Transfer to revaluation account	12&13	-	(455,373)
Depreciation and amortization	9	12,300	10,394
Amortization of prepaid operating lease rental	9	-	65
Prior year adjustments		578	-
Deferred tax	29	4,595	-
Loss on disposal of equipment		(111)	(151)
CSR net income	8	83	395
Interest income	11	-	(7)
Interest expenses	7	64,964	32,825
Surplus before working capital changes		85,437	55,635
(Increase) / Decrease in inventories	19	343	(1,317)
(Increase) / Decrease in trade and other receivables	20	(1,953)	(41,412)
(Increase) / Decrease in deferred grant expense	10(c)	(48)	-
Increase / (Decrease) in Deferred income	10(c)	(4,475)	(1,074)
Increase / (Decrease) in Increase in payables	25	45,361	86,026
Increase / (Decrease) in deferred subscriptions		(13,794)	16,563
		110,871	114,421
Interest income received	11	-	7
Interest expenses paid	7(b)	(64,964)	(32,825)
Net cash generated from operating activities		45,907	81,603
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	12	(4,206)	(43,558)
Purchase of intangible asset	16	(2,500)	-
Proceeds from sale of property and equipment		862	880
(Increase) / (decrease) in long term receivables		-	4,322
Additions to investment property	14	(21,929)	(99,443)
Net cash (used in) investing activities		(27,773)	(137,799)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash received form CSR activities	8	1,921	626
CSR cash payments	8	(2,004)	(1,021)
Direct contributions to designated fund	22	(19)	1,753
Loan Taken	24	12,679	94,057
Loan Paid	24	(43,685)	(22,086)
Net cash from financing activities		(31,108)	73,329
Decrease in cash and cash equivalents		(12,974)	17,133
As at 1 January	21	42,419	25,286
As at 31 December	21	29,445	42,419

The notes set out on pages 109 to 141 form an integral part of the financial statements.

Notes to the Financial Statements for the year ended 31 December 2017

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied over the years presented unless otherwise stated.

a) Basis of preparation

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS). They are presented in Kenya Shillings (Kshs) which is also the functional currency (see (c) below), rounded to the nearest thousand (Kshs. '000').

The financial statements comprise a statement of income and expenses and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in the statement of income and expenses. Other comprehensive income comprises items of income and expenses (including reclassification adjustments).

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgment in the process of applying the accounting policies adopted by the Institute. Although such estimates and assumptions are based on the Council's best knowledge of the information available, actual results may differ from those estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made. The areas involving the judgments of most significance to the financial statements, and the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year, are disclosed in Note 2.

Measurement basis

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below. For those assets and liabilities measured at fair value, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Institute uses market observable data as far as possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Institute using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items or discounted cash flow analysis). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account.

Fair values are categorised into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

Measurement basis (Continued)

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Institute at the end of the reporting period during which the change occurred.

b) New and revised standards

i) Adoption of new and revised standards

The following new and revised standards and interpretations have become effective for the first time in the financial year beginning 1 January 2016 and have been adopted by the Institute where relevant to its operations:

Amendments to IAS 12 titled Recognition of Deferred Tax Assets (issued in January 2016) – The amendments, applicable to annual periods beginning on or after 1 January 2017, provide additional guidance on the estimation of future taxable profits when considering the recoverability of deferred tax assets.

Amendments to IAS 7 titled Disclosure Initiative (issued in January 2016) – The amendments, applicable to annual periods beginning on or after 1 January 2017, require enhanced disclosure concerning changes in liabilities arising from financing activities.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

b) New and revised standards (Continued)

ii) New and revised standards and interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following revised standards and interpretations were in issue but are not yet effective for the year beginning 1st January 2016. The Institute has not adopted any of these revised standards, amendments and interpretations in advance of the effective date:

Published but are not yet effective for the year beginning 1st January 2016

IFRS 15 *Revenue from Contracts with Customers* (issued in May 2014)

The new standard, effective for annual periods beginning on or after 1 January 2018, replaces IAS 11, IAS 18 and their interpretations (SIC-31 and IFRIC 13, 15 and 18). It establishes a single and comprehensive framework for revenue recognition to apply consistently across transactions, industries and capital markets, with a core principle (based on a five-step model to be applied to all contracts with customers), enhanced disclosures, and new or improved guidance.

IFRS 9 *Financial Instruments* (issued in July 2014)

This standard will replace IAS 39 (and all the previous versions of IFRS 9) effective for annual periods beginning on or after 1 January 2018. It contains requirements for the classification and measurement of financial assets and financial liabilities, impairment, hedge accounting and derecognition:

IFRS 9 requires all recognised financial assets to be subsequently measured at amortised cost or fair value (through profit or loss or through other comprehensive income), depending on their classification by reference to the business model within which they are held and their contractual cash flow characteristics. For financial liabilities, the most significant effect of IFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch.

For the impairment of financial assets, IFRS 9 introduces an “**expected credit loss**” model based on the concept of providing for expected losses at inception of a contract; it will no longer be necessary for there to be objective evidence of impairment before a credit loss is recognized. For hedge accounting, IFRS 9 introduces a substantial overhaul allowing financial statements to better reflect how risk management activities are undertaken when hedging financial and non-financial risk exposures. The derecognition provisions are carried over almost unchanged from IAS 39.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

b) New and revised standards (continued)

ii) New and revised standards and interpretations in issue but not yet effective (continued)

Amendments to IFRS 10 and IAS 28 titled *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (issued in September 2014) – The amendments, applicable from a date yet to be determined, address a current conflict between the two standards and clarify that gain or loss should be recognised fully when the transaction involves a business, and partially if it involves assets that do not constitute a business.

IFRS 16 *Leases* (issued in January 2016) - The new standard, effective for annual periods beginning on or after 1 January 2019, introduces a new lessee accounting model, and will require a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee will be required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Amendments to IFRS 2 titled *Classification and Measurement of Share-based Payment Transactions* (issued in June 2016) - The amendments, applicable to annual periods beginning on or after 1 January 2018, clarify the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments (SBP), the accounting for SBP transactions with a net settlement feature for withholding tax obligations, and the effect of a modification to the terms and conditions of a SBP that changes the classification of the transaction from cash-settled to equity settled. The amendments are not expected to have a material effect on the Group's consolidated financial statements.

The council do not plan to apply any of the above until they become effective. Based on their assessment of the potential impact of application of the above, they do not expect that there will be a significant impact on the Institute's financial statements.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

c) Foreign currency transactions

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the Institute operates), which is Kenya Shillings. Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the reporting date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the statement of comprehensive income in the year in which they arise.

d) Revenue recognition

Revenue represents the fair value of consideration received or receivable for the services offered by the Institute. It is recognised when it is probable that future economic benefits will flow to the Institute and the amount of revenue can be measured reliably. It is stated net of rebates and discounts.

- i. Subscription income from active members is recognised in the year in which it is due. Active members are considered to be those members:
 - Who are up to date with their subscription; and/or
 - Owning less than two years.
- ii. Subscription income from other members is recognised when it is received and is treated as recovery.
- iii. Registration fee is recognised on member application.
- iv. Member services income is recognised upon service delivery.
- v. Rental income is recognised on a straight-line basis over the period of the lease.
- vi. Interest income is recognised on a time proportion basis using the effective interest method.

e) Property, equipment and depreciation

All property and equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation and accumulated impairment except for buildings. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Buildings are subsequently shown at market value, based on periodic but at least triennial valuations carried out by external independent valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Work-In-Progress will be shown at market value based on periodic valuation of at least annual valuation carried out by an independent Valuer. Gains and losses arising from the revaluation of the Work-In-Progress are recognised in other comprehensive income.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

e) Property, equipment and depreciation (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost can be reliably measured.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation is calculated on the straight-line basis to write down the cost of each asset, or the revalued amount to its residual value over its estimated useful life using the following rates:

	Rate %
Buildings	over the 42 year term of the leasehold land
Equipment	4 years
Computers	4 years
Furniture and fittings	10 years

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining the surplus for the year. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to the general fund.

f) Investment property

Investment property is property held to earn rentals or for capital appreciation or both. It is a long term investment in buildings and the owner-occupied portion is insignificant. Investment property is initially recognised at cost and subsequently carried at fair market value, based on valuations carried out by external independent valuers. Gains or losses arising from changes in fair value are recorded in the statement of income and expenses.

Subsequent expenditure on investment property where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other expenditure is recognised as an expense in the year in which it is incurred.

Gains and losses on disposal of investment property are determined by reference to their carrying amount and are taken into account in determining operating surplus.

g) Leases

Leases of assets under which a significant portion of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Amortisation of prepaid operating lease rentals is charged to the statement of income and expenses on a straight-line basis over the 42 year term of the leasehold land.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

h) Intangible assets

Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life of three years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Institute, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development staff costs and an appropriate portion of relevant overheads.

i) Impairment of non-financial assets

Internal and external sources of information are reviewed at each reporting date to identify indications that assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and value in use. An impairment loss is recognised in the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and which results in an increase in the recoverable amount. A reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the statement of comprehensive income in the year in which the reversals are recognised.

j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) method. Net realisable value is the estimate of the selling price in the ordinary course of business, less the selling expenses.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

k) Financial instruments

Classification

The Institute classifies its financial instruments into the following categories:

Loans and receivables: which comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and excludes assets which the entity intends to sell immediately or in the near term or those which the entity upon initial recognition designates as at fair value through profit or loss or as available-for-sale financial assets.

Financial liabilities: which comprise all financial liabilities except financial liabilities at fair value through profit or loss.

Recognition and measurement

Financial assets

Financial assets are initially recognised at fair value. The Institute's financial assets which include cash and cash equivalents and receivables fall into the following categories:

Cash and cash equivalents: For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and short-term marketable securities.

Receivables: Receivables are carried at original invoiced amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year-end. Bad debts are written off in the year in which they are identified. Subsequent recoveries of amounts previously written off are credited to income in the year of their recovery.

Financial liabilities

Financial liabilities including trade and other payables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest rate method.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts. In the statement of financial performance, bank overdrafts are included as borrowings under current liabilities.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

m) Employee benefits

Post-employment benefit obligations

The Institute operates a defined contribution staff retirement benefit scheme for its employees. The scheme is administered by Insurance Company of East Africa and is funded by contributions from both the Institute and the employees. The Institute's contributions to the defined contribution retirement benefit scheme are charged to the statement of comprehensive income in the year in which they relate. The Institute and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The Institute's contributions to the defined contribution scheme are charged to the statement of comprehensive income in the year to which they relate.

Employees' entitlements

The estimated monetary liability for employees' accrued annual leave entitlement and gratuity payment at the reporting date is recognised as an expense accrual. Only senior staffs under contract are entitled to gratuity.

n) Grants

Grants are not recognised until there is reasonable assurance that the Institute will comply with conditions attaching to them and that grants will be received.

Grants are recognised in the statement of comprehensive income on a systematic basis over the periods in which the institute recognises as expenses the related costs for which the grants are intended to compensate. Specifically, grants whose primary condition is that the Institute should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the institute with no future related costs are recognised in profit or loss in the period in which they become receivable.

o) Borrowing costs

Borrowing costs, net of any temporary investment income on those borrowings that are attributable to acquisition, construction of a qualifying asset are capitalised as part of the asset. The net borrowing cost capitalised is either the actual borrowing cost incurred on the amount borrowed specifically to finance the asset; or in the case of general borrowings, the borrowing cost is determined using the overall weighted average cost of the borrowings on all outstanding borrowings during the year less any specific borrowing directly attributable to the asset and applying this rate to the borrowing attributable to the asset.

Capitalisation of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised in the statement of income and expenses in the year in which they are incurred.

p) Advance subscriptions

Advance subscriptions (also known as deferred/unearned income) are subscription fees received from members for subsequent periods as at year end. They are recorded as a liability until the fees are due, at which time they are recognised as income.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. Summary of Significant Accounting Policies (Continued)

2. Significant Judgements and Key Sources of Estimation Uncertainty

In the process of applying the accounting policies adopted by the Institute, the Council makes certain judgements and estimates that may affect the amounts recognised in the financial statements. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. However, actual results may differ from those estimates. The judgements and estimates are reviewed at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available, and any revisions to such judgements and estimates are recognised in the year in which the revision is made.

Significant judgements in applying the entity's accounting policies

In the process of applying the Institute's accounting policies, the Council has made judgements in determining:

- Whether assets are impaired
- The classification of financial assets
- Whether the investment property valuation fairly reflects current market value.

a) Financial risk management

The Institute's activities expose it to a variety of financial risks including credit, liquidity and market risks. Risk Management is carried out by the shared services committee under policies approved by the Council. The policies focus on the unpredictability of changes in the business environment and seek to minimise the potential adverse effects of such risks on the Institute's performance by setting acceptable levels of risk. The Institute has not hedged against any risks in the current year.

i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, as well as credit exposures to customers, including outstanding receivables.

Credit risk on trade receivables is managed by ensuring that credit is extended to customers with an established credit history. The credit history is determined by taking into account the financial position, past experience and other relevant factors. Credit is managed by setting the credit limit and the credit period for each customer.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

3. Risk Management Objectives and Policies (continued)

a) Financial risk management (Continued)

i) Credit risk (continued)

The utilisation of the credit limits and the credit period is monitored by management on a monthly basis. The maximum exposure of the Institute to credit risk as at the statement of financial position date is as follows:

	Fully performing Kshs. '000'	Past due but not impaired Kshs. '000'	Impaired Kshs. '000'	Total Kshs. '000'
31 December 2017				
Financial assets				
Subscription receivables	-	49,552	(22,850)	26,702
Other receivables	36,686	198,680	-	235,366
Cash at bank	29,445	-	-	29,445
Gross financial assets	66,131	227,621	22,850	291,513
31 December 2016				
Financial assets				
Subscription receivables	-	35,214	(11,308)	23,906
Other receivables	37,329	87,622	-	124,951
Cash at bank	42,419	-	-	42,419
Gross financial assets	79,748	122,836	(11,308)	191,276

The past due debtors are not impaired and continue to be paid. The institute does not hold any collateral against the past due or impaired receivables. Management continues to actively follow up past due and impaired receivables.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

3. Risk Management Objectives and Policies (continued)

ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet obligations as they fall due. The management ensures that adequate cash reserves are maintained to pay off liabilities as they crystallise. Financial assets are held in short-term fixed deposits maturing within 3 and 12 months.

The current ratio during the year was 0.6:1 (2016: 0.6:1)

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities:

	Between 1 - 3 months Kshs. '000'	Between 3 - 12 months Kshs. '000'	Over 12 months Kshs. '000'	Total Kshs. '000'
31 December 2017				
Trade and other payables	83,389	152,469	-	235,858
Borrowings	-	82,798	421,045	503,842
Retention on construction	-	80,795	-	80,795
	83,389	316,062	421,045	820,496
31 December 2016				
Trade and other payables	88,440	102,057	-	182,718
Borrowings	-	30,732	506,778	537,510
Retention on construction	-	80,795	-	80,795
	88,440	205,805	506,778	808,802

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

3. Risk Management Objectives and Policies (continued)

iii) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks: currency risk, interest rate risk and other price risk.

iv) Interest rate risk

The Institute's interest rate risk arises from short term bank deposits and mortgage loans because of changes in market interest rates.

If the interest rates on the Institute's short term bank deposits at the year-end were to increase/decrease by 5 percentage points, with all other factors remaining constant, the surplus for the year would be lower/higher by nil (2016: nil).

If the interest rates on the Institute's borrowings at the year-end were to increase/decrease by this number of percentage points, with all other factors remaining constant, the capitalised work-in progress would be lower/higher by Kshs. 11,881,854 (2015: Kshs 1,680,433) respectively.

v) Currency risk

Currency risk arises on financial instruments that are denominated in foreign currency.

The Institute has no trade receivables, nor trade payables, nor borrowings which are denominated in foreign currency as at the reporting date.

b) Capital management

The Institute's objective in managing its equity is to ensure that it supports the development of its business and is able to continue as a going concern. The Institute is not subject to any external equity or capital requirements.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

4. Restatement

The office partitions for 10th and 11th floor was initially accounted for under investment property in the year 2016. The partitions are considered to be a property plant and equipment in nature as opposed to investment property. As a consequence, the cost of the investment property was overstated Kshs 51,003,053 revaluation gains were understated by Kshs 51,003,053 and the depreciation for the period was also understated by Kshs 2,559,172. These has since been corrected and affected items in the financial statements restated.

On the other hand, an analysis of expenses related to investment property revealed that interest expenses for tax purpose were understated. This resulted to overstatement of taxable income and consequently the overstatement of tax payable.

These have been corrected by restating each of the affected line in the financial statements.

Impact of the Restatement

i. Statement of income and expenses and other comprehensive income for the year ended 31 December 2016

	As previously reported Kshs. '000'	Adjustments	As Restated Kshs. '000'
Income			
CPA Centre Rental before interest	5,170	2,216	7,386
Total Income	602,647	2,216	604,863
Expenses			
Operating expenses	361,644	2,494	364,138
Total expenses	562,332	2,494	564,826
Operating surplus	40,314	(277)	40,037
 Surplus for the year	 9,274	 (277)	 8,997
Other comprehensive income			
Revaluation surplus	407,696	47,677	455,373
Total Comprehensive income	416,970	47,400	464,370

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

Impact the Restatement (continued)

ii. Statement of financial position as at 31 December 2016

	As previously reported Kshs. '000'	Adjustments	As Restated Kshs. '000'
ASSETS			
Noncurrent assets			
Property and equipment	50,500	48,441	98,941
Prepaid operating lease	3,260	(3,260)	-
	<u>1,716,762</u>	<u>45,181</u>	<u>1,761,943</u>
Total assets	<u>1,912,702</u>	<u>45,182</u>	<u>1,957,884</u>
EQUITY AND LIABILITIES			
Equity			
General fund	625,851	406,347	1,032,198
Revaluation reserve	459,790	(358,948)	100,842
	<u>1,092,561</u>	<u>47,398</u>	<u>1,139,959</u>
Current liabilities			
Tax on Rental Income	2,216	(2,216)	-
Total current liabilities	<u>406,602</u>	<u>(2,216)</u>	<u>404,386</u>
Total equity and liabilities	<u>1,912,702</u>	<u>45,182</u>	<u>1,957,884</u>

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

5. Subscriptions Income

	2017 Kshs. '000'	2016 Kshs. '000'
Practicing	21,400	20,200
Non practicing	151,661	139,124
Overseas	3,542	3,495
Retired	2,036	2,006
Associate members	2,832	1,918
New members in the year	34,186	31,519
	215,657	198,262
Subscription debtors written off	(21,615)	(11,308)
Subscription debtors recovered	2,780	5,147
Active members at end of year	196,822	192,101

Subscription debtors written off represents the value of subscriptions due from members owing more than two years that remain unpaid at the reporting date. This is in accordance with the accounting policy on revenue recognition (set out in policy 1 (d) above).

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

6. Members' Services

	2017 Kshs. '000'	2016 Kshs. '000'
(a) Income		
Monthly seminars/video sessions	211,580	194,969
Annual seminar	146,909	136,754
Executive retreat	12,751	26,718
Managerial seminar	12,845	14,706
Internal audit conference	13,841	17,379
Economic symposium	11,635	10,845
Sale of publications	512	3,379
	410,073	404,750
(b) Expenses		
Monthly seminars/video sessions	111,789	110,358
Annual seminar	66,029	54,605
Executive retreat	17,091	15,743
Managerial seminar	5,870	5,947
Internal audit conference	5,371	6,449
Economic symposium	4,946	4,566
Sale of publications	-	1,999
	211,096	199,667
Surplus from members' services	198,977	205,083

The expenses exclude related staff costs.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

7(a) CPA Centre Rental Income

	2017 Kshs. '000'	2016 Restated Kshs. '000'
Gross rental Income	61,768	15,837
Gross Letting Commission	(3,508)	(2,553)
Salaries	(8,787)	(5,898)
	<u>49,473</u>	<u>7,386</u>

7(b) CPA Center Finance Cost

Interest on loan	<u>(64,964)</u>	<u>(32,825)</u>
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In the financial year ended 31 December 2016, interest on loan had been charged to other operating expenses, and as such this amount has now been restated to recognise it under CPA centre.

The movement in loan interest arose as a result of the CPA Centre building being operationalised in July 2016, hence the finance cost recognised in 2016 was capitalised for half a year.

8. Social Responsibility Activities

	2017 Kshs. '000'	2016 Kshs. '000'
(a) Income		
Golf tournament	<u>1,921</u>	<u>626</u>
(b) Expenses		
CSR activities	<u>(2,004)</u>	<u>(1,021)</u>
Deficit from social responsibility activities	<u>(83)</u>	<u>(395)</u>

Social responsibility is the net proceeds from an annual charity golf tournament. These proceeds are utilised in funding various corporate social responsibility activities other than educating needy students. Bursary expenses included in CSR activities, Kshs. 931,840 (2016: Kshs. 958,374).

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

9. Operating Expenses

	2017 Kshs. '000'	2016 Restated Kshs. '000'
Employee benefit (Note 28)	190,715	188,651
Advocacy and International relations	36,394	36,929
Governance	38,696	33,169
Marketing costs	8,694	15,179
Legal fees	4,228	719
Publication	21,134	19,802
Professional development	10,211	17,505
Telephone, postage, printing and stationery	4,151	6,016
Shared services	7,032	6,239
Staff meetings and welfare	10,277	9,367
IT costs	12,618	10,480
Depreciation and amortization	12,300	10,394
Impairment of trade and other receivables	754	-
Research and Development	639	58
Bank charges	4,009	2,766
Fi-Re Award	2,000	2,000
Insurance	1,319	760
Audit fees	2,791	2,081
Rent and Utilities	837	1,958
Amortization of prepaid operating lease rental	-	65
Service Charge	9,476	-
	378,275	364,138

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

10. Grants

World Bank IDF Grant

The Institute signed an Institutional Development Fund (IDF) grant on 27 January 2014 over 18 months period, amounting to US\$ 698,000 to contribute to enhancing financial transparency, accountability and governance in Kenya.

The projects include enhancing the capacity of ICPAK secretariat to international standards, automation of ICPAK internal processes and strengthening the accounting profession in both private and public sectors in a devolved environment. The grant is conditional on ICPAK meeting its obligations for each of the projects components and funds are drawn down as per the approved procurement plan.

As at 31 January 2017, the Institute had received Kshs. 64,800,711 (US\$ 629,133) toward the projects of which a total of Kshs. 64,800,711 (US\$ 629,133) had been used to settle project costs incurred. The project activities closed on 27th January 2017.

Business Advocacy Fund (BAF) Grant

The Institute signed an agreement with the Business Advocacy Fund (BAF) to support the development of Income Tax Act Policy being spearheaded by the Institute. The total funding under this grant was KSh 12,337,500. This grant is conditional on ICPAK meeting its obligations as per the agreement.

UNCTAD

The Institute signed an agreement with UNCTAD to support hosting of the Regional Conference on Financial Inclusion in August 2017.

	2017 Kshs. '000'	2016 Kshs. '000'
(a) Grant income		
Grant funds utilized during the year	2,602	30,938
(b) Grant expenses		
Strengthening accounting profession	2,584	29,602
Training plan	-	1,289
Bank charges	16	47
	<u>2,600</u>	<u>30,938</u>
Net Grant Income	<u>2</u>	<u>-</u>

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

10. Grants (continued)

	UNCTAD Kshs. '000'	World Bank IDF Grant Kshs. '000'	Business Advocacy Fund (BAF) Grant Kshs. '000'	2017 Kshs. '000'	2016 Kshs. '000'
(c) Deferred grant income/ (receivable)					
At 1 January	-	4,180	295	4,475	5,551
Receipts	2,750	2,602	2,448	7,800	(32,014)
Operating expenses	(2,327)	(2,602)	(3,213)	(8,142)	30,938
Assets acquisition		(4,181)	-	(4,181)	(4,181)
At 31 December	423	(1)	(470)	(48)	4,475

11. Other Income

	2017 Kshs. '000'	2016 Kshs. '000'
Interest	-	7
Sale of publications and other miscellaneous income	5,671	4,895
	5,671	4,902

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

12. Property and Equipment

	Buildings Kshs. '000'	Equipment Kshs. '000'	Computers Kshs. '000'	Furniture and fittings Kshs. '000'	Total Kshs. '000'
Cost/valuation					
At 1 January 2017	-	23,499	13,219	83,267	119,985
Additions	-	463	1,675	2,068	4,206
Prior Year Adjustment	-	(12,755)	-	(578)	(13,333)
Disposals	-	-	(357)	(1,342)	(1,699)
At 31 December 2017	-	11,207	14,537	83,415	109,159
Accumulated depreciation					
At 1 January 2017	-	10,290	6,935	3,819	21,044
Disposal	-	-	(152)	(795)	(947)
Prior Year Adjustments	-	(265)	-	-	(265)
Charge for the year	-	390	2,593	8,156	11,139
At 31 December 2017	-	10,415	9,376	11,180	30,971
Net carrying amounts as at 31 December 2017	-	792	5,161	72,235	78,188
Cost/valuation (Restated)					
At 1 January 2016	82,000	13,222	16,492	9,286	121,000
Additions	-	12,852	1,721	28,984	43,557
Revaluation	(170)	-	-	-	(170)
Transfers to Investment Properties	(81,830)	-	-	-	(81,830)
Transfers from Work in Progress	-	-	-	51,003	51,003
Disposals	-	(2,575)	(4,994)	(6,006)	(13,575)
At 31 December 2016	-	23,499	13,219	83,267	119,985
Accumulated depreciation (Restated)					
At 1 January 2016	8,793	12,197	9,387	5,990	36,367
Disposal	-	(2,575)	(4,800)	(5,472)	(12,847)
Held for sale	-	-	-	-	-
Transfers	(11,830)	-	-	-	(11,830)
Charge for the year	3,037	668	2,348	3,301	9,354
At 31 December 2016	-	10,290	6,935	3,819	21,044
Restated net carrying amounts as at 31 December 2016	-	13,209	6,284	79,448	98,941

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

12. Property and Equipment (continued)

Buildings were valued on 8th October 2016 by Acumen Valuers Limited (an independent registered valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of building being valued) based on an open market value. The carrying amount of the asset was restated to the revalued amount of the asset, and the resulting surplus arising on revaluation was recognised in other comprehensive income and credited to the revaluation surplus in equity.

If the buildings and furniture and fittings were stated on the historical cost basis, the carrying values would be as follows:

	Buildings Kshs. '000'	Furniture and fittings Kshs. '000'
Net book value		
As at December 2017	<u>-</u>	<u>1,280</u>
As at December 2016	<u>-</u>	<u>1,880</u>

Revaluation reserve movement

At 1 January 2017

Transfer of excess depreciation

At 31 December 2017

At 1 January 2016 (restated)

Transfer of excess depreciation

At 31 December 2016

	Buildings Kshs. '000'	Furniture, fittings and Equipment Kshs. '000'	Total Kshs. '000'
At 1 January 2017	52,464	700	53,164
Transfer of excess depreciation	-	(117)	(117)
At 31 December 2017	<u>52,464</u>	<u>583</u>	<u>53,047</u>
At 1 January 2016 (restated)	53,535	817	54,352
Transfer of excess depreciation	(1,071)	(117)	(1,188)
At 31 December 2016	<u>52,464</u>	<u>700</u>	<u>53,164</u>

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

13. Work In Progress

	2017 Kshs. '000'	2016 (Restated) Kshs. '000'
At 1 January	-	954,808
Addition	-	99,443
Revaluation	-	455,543
Transfer to PPE (note 12)	-	(51,003)
Transfer to investment property	-	(1,458,791)
At 31 December	-	-

14. Investment Property

	2017 Kshs. '000'	2016 (Restated) Kshs. '000'
At 1 January	1,550,000	21,000
Addition	21,929	1,458,791
Buildings converted to investment properties	-	70,000
Prior years adjustments	12,755	-
Transfer from operating lease	-	3,326
Fair Value adjustments	15,316	(3,117)
At 31 December	<u>1,600,000</u>	<u>1,550,000</u>

Buildings were valued on 24th October 2017 by Acumen Valuers Limited (an independent registered valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of building being valued) In Council's opinion there has been no material change in the fair value between 24th October 2017 and 31st December 2017.

Details of the Institute's investment property and information about the fair value hierarchy as at 31st December 2017 is as follows:

Non-financial asset	Fair value as at 31st December 2017 Ksh'000'	Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Investment Property	1,600,000	Level II	Open market value basis-highest and best use model	Not applicable	Not applicable

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

15. Prepaid Operating Lease

	2017 Kshs. '000'	2016 (Restated) Kshs. '000'
Cost		
At January	-	5,478
Transfer to investment property	-	(5,478)
As at December	-	-
Amortization		
At January	-	2,087
Charge for the year	-	65
Transfer to investment property	-	(2,152)
As at December	-	-
Net carrying amount	-	-

The land is located at the CPA Centre, LR No. 28799/2 along Thika Road. On conversion of the building to investment property, the operating lease was transferred to investment property.

16. Intangible Assets

	2017 Kshs. '000'	2016 Kshs. '000'
Cost		
As at January	8,671	8,671
Additions	2,500	-
As at December	11,171	8,671
Amortization		
At January	6,976	5,937
Charge for the year	1,162	1,039
As at December	8,138	6,976
Net carrying amount	3,033	1,695

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

17. Other Receivables

VAT recoverable on construction

2017
Kshs. '000'

111,257

2016
Kshs. '000'

111,257

The input VAT on construction shall be recovered from the output VAT on rental income.

18. Investment In CPA Centre Limited

Investment in CPA Centre Limited

2017
Kshs. '000'

50

2016
Kshs. '000'

50

The Institute is a beneficial owner of CPA Centre Limited with a direct shareholding of 50.02% of the issued share capital. The investment comprises 10,004 shares of Kshs. 5 each. This company did not trade during the year and has remained dormant since its incorporation.

19. Inventories

Seminar Material

2017
Kshs. '000'

4,321

2016
Kshs. '000'

4,665

20. Trade and Other Receivables

Subscription receivables

49,552

35,214

Less: Transfer to non-active category

(22,850)

(11,308)

Net subscription receivables

26,702

23,906

VAT recoverable on construction

9,644

11,862

Due from related party (Note 27)

45,193

45,193

Other receivables

50,757

54,420

Deposits and prepayments

10,483

5,805

Staff receivables

8,032

7,671

150,811

148,857

In the opinion of the Council, the carrying amounts of trade and other receivables approximate to their fair value.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

21. Cash and Bank Balances

	2017 Kshs. '000'	2016 Kshs. '000'
Cash at bank and in hand	29,445	31,613
World Bank IDF Grant	-	10,636
Short term bank deposits	-	170
	29,445	42,419

For the purpose of the statement of cash flow, cash and cash equivalents comprise cash in hand and deposits held at call with banks, net of bank overdrafts.

22. Designated Fund

	Bursary funds Kshs. '000'	Charity funds Kshs. '000'	Total Kshs. '000'
Year 2017			
At start of year	3,790	3,129	6,919
Contributions to fund	-	(19)	(19)
Transfers from the general fund	(932)	849	(83)
At end of year	2,858	3,959	6,817
Year 2016			
At start of year	4,748	813	5,561
Contributions to fund	-	1,753	1,753
Transfers from the general fund	(958)	563	(395)
At end of year	3,790	3,129	6,919

The bursary fund was set up by the Institute from the general fund to support education of needy students. Surplus/(deficit) arising from social responsibility activities undertaken are transferred from the general funds to the charity fund.

23. Retention on Construction

	2017 Kshs. '000'	2016 Kshs. '000'
Retention in construction on work certified	80,795	80,795

Relates to monies retained on the construction work of the ultra-modern multi-storey office park at the CPA Centre.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

24. Borrowings

	2017 Kshs. '000'	2016 Kshs. '000'
Standard Chartered Bank	444,268	475,274
The borrowings are analyzed as follows:		
Current portion	74,930	61,784
Non-current portion	369,338	413,490
	444,268	475,274
Loan balance as at January	475,274	403,304
Loan drawdown	12,679	94,057
Loan Repayment	(43,685)	(22,087)
Loan Balance as at December	444,268	475,274

Borrowings relate to a construction loan facility from Standard Chartered Bank in September 2014 amounting to Kenya shillings 575 million for part financing of construction of the ICPAK Complex in September 2014. The loan is secured by a fixed charge over the CPA Centre with tenure of 10 years at 14% interest rate on the amounts drawn down as per the contractor's certificates. The facility is repayable monthly.

25. (a) Trade and Other Payables

	2017 Kshs. '000'	2016 Kshs. '000'
Trade payables	123,829	92,583
Other accruals	11,450	28,571
Gratuities	6,803	12,333
Advance receipts	55,332	30,265
Rental deposit	3,267	11,651
Due to related parties (Note 27)	524	459
Pan African Federation of Accountants	8,424	8,556
FiRe award fund	4,050	6,079
	213,680	190,497

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

25. (b) Trade and Other Payables (continued)

	2017 Kshs. '000'	2016 Kshs. '000'
Special fund - Benevolent fund		
Benevolent Income	18,758	-
Benevolent Claims	(870)	-
Benevolent Receivable	4,291	-
	<u>22,179</u>	<u>-</u>
Total Trade and Other payables	<u>235,858</u>	<u>190,497</u>

In the opinion of the Council, the carrying amounts of payables approximate to their fair value.

26. Financial Assets and Liabilities

The table below shows analysis of financial instruments recorded at the carrying amount which are the reasonable approximation of fair value.

At 31 December 2017

	Level 1 Kshs. '000'	Level 2 Kshs. '000'
Financial assets:		
Subscription receivables	-	26,702
Other receivables	-	126,348
Cash at bank	29,445	-
Gross financial assets	<u>29,445</u>	<u>153,050</u>
Financial liabilities:		
Borrowing	-	444,267
Total payables	391,583	-
Advance subscriptions	53,041	-
Gross financial liabilities	<u>444,624</u>	<u>444,267</u>

At 31 December 2016

Financial assets:		
Subscription receivables	-	23,906
Other receivables	-	124,951
Cash at bank	42,419	-
Gross financial assets	<u>42,419</u>	<u>148,857</u>
Financial liabilities:		
Borrowing	-	475,274
Trade and other payables	329,772	-
Advance subscriptions	66,835	-
Gross financial liabilities	<u>396,607</u>	<u>475,274</u>

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

27. Related Party Balances and Transactions

	2017 Kshs. '000'	2016 Kshs. '000'
i) Due from related parties		
Due from KCA University (Note 20)	<u>45,193</u>	<u>45,193</u>
ii) Due to related parties		
Due to KCA University (Note 25)	524	459
Due to CPA Centre Limited	<u>50</u>	<u>50</u>
	<u>574</u>	<u>509</u>

There was no impairment provisions held against any related party balances (2016: Nil).

No interest has been charged against any related party balances (2016: Nil).

	2017 Kshs. '000'	2016 Kshs. '000'
iii) Key management compensation		
Salaries and other short term benefits	32,644	28,305
Post employment benefits	<u>6,848</u>	<u>6,162</u>
	<u>39,492</u>	<u>34,467</u>
iv) Council remuneration	<u>5,056</u>	<u>4,148</u>
v) Committees remuneration	<u>4,186</u>	<u>5,620</u>

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

27. Related Party Balances and Transactions (continued)

vi) ICPAK-KCAU-Maarifa partnership

At the ICPAK Special General Meeting held on 11 March 2015, ICPAK members approved ICPAK-KCAU-Maarifa partnership. The partnership allows KCA University (KCAU) to enter into a long-term strategic partnership with Emerging Capital Partners (ECP) and Maarifa Education Holdings (Maarifa).

ICPAK and its members are not required to make any financial investment or commitment to KCAU or KCA Education (KCAE). KCAE is the new service company that was created to provide ongoing services to KCAU. ICPAK negotiated to own 25% of the ordinary share capital of KCAE in recognition of its role as Sponsor and its expected ongoing strategic support and input.

ICPAK and Maarifa will control KCAE jointly with a ratio of 25% :75% shareholdings respectively. The principal role of KCAE is to undertake all non-academic (non-degree-focused) operations and financial services for KCAU. KCAE will manage non-academic functions such as enrolment management, marketing, accounting and financial management.

ICPAK and KCA University were to facilitate the completion of the transaction hence agreed to share the transaction costs of the financial advisor and the transactional lawyers. During the year KCA University settled the first invoices from the transactional advisor. ICPAK offset its portion from KCA university debt to the tune of Kshs. 11,500,000 in 2015.

There has been no additional bill for this transaction in the year under review. The transaction completion is awaiting clearance of the National Treasury upon review of all the transaction documentation.

28. Employee Benefit

	2017 Kshs. '000'	2016 Kshs. '000'
Salaries and wages	149,955	153,880
Medical expenses	11,146	9,508
Pension costs	6,623	6,453
Group life	2,440	2,070
Staff Gratuity	6,549	6,162
Leave allowances	2,369	1,381
Other staff costs	1,263	1,108
Subscriptions	626	566
Recruitment costs	1,317	1,692
Staff training	8,427	5,831
	190,715	188,651

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

29. Tax

Tax expense is the aggregate amount of current and deferred taxation. Current and deferred taxes are recognized as income or expense in profit or loss except to the extent that the taxes relate to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and the amounts attributed to those assets and liabilities for taxation purpose.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and unabsorbed tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the assets can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that the related tax benefits will be realized.

	Percentage Rate (%)
Applicable tax rate	30.00
Tax effect of deductible expenses	1.995
Tax effect of increase in DTL from the increase in the tax rate	0.00
Average effective rate	31.99

Tax rates enacted or substantively enacted at the end of the reporting period are used to determine deferred tax. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Institute intends to settle its current tax assets and liabilities on a net basis.

Deferred Tax Liability movement

	Kshs. '000'
At 1 January 2017	-
(Charged)/Credited	
- to profit or loss	4,595
- directly to equity	(935)
At 31 December 2017	3,660

30. Commitments

Capital commitments

	2017 Kshs. '000'	2016 Kshs. '000'
Total commitments	1,162,628	1,155,340
Paid towards the construction	(1,062,118)	(1,062,118)
	100,510	93,222

All the payments to date have been out of internal sources and bank borrowings from Standard Chartered Bank.

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

31. Contingent Liabilities

Three legal suits have been filed in court against the Institute by former staff alleging wrongful dismissal. These matters arose in the year 2014 and the Institute instructed its lawyers for representation.

Out of the three legal suits, two have so far been heard and determined, where the ruling was in the Institute's favour. However, in both cases the plaintiffs filed appeals. The third case is at hearing stage. The likely outcome could not be determined at the date of signing these financial statements.

32. Comparatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.





FORM OF PROXY

I (Name of Member)..... of
Registration Number..... Being a member in good standing of the
Institute of Certified Public Accountants of Kenya hereby appoint:

Name of Proxy.....
ID/Passport Number..... Member Number.....

Or failing him/her the Chairman of the meeting to be my proxy, to vote for me/ on my
behalf at the Annual General Meeting of the Institute to be held on Friday, 8th June, 2018
at the, Nairobi from 10.30 a.m or any adjournment thereof.

As witnessed by my hand this day.....of.....2018

Name:

Signature:

Note: To be valid, the completed Form of Proxy must be deposited with the secretariat so
as to be received not later than 10.30 am on Tuesday 31st May, 2018.

Notes

Lined area for notes, featuring horizontal ruling lines across the page.



A decorative background featuring a faint, stylized map of the world in a light beige color, overlaid on a white background with horizontal ruling lines. The map is centered and shows the continents in a simplified, artistic manner. The ruling lines are thin and evenly spaced, providing a clean, lined surface for writing.

Notes

[illegible]

A stylized illustration of a landscape. In the foreground, a large, gnarled tree with dense green foliage stands on the left. To its right, a body of water reflects the light. The background features a bright, hazy sky with soft, wispy clouds. The entire scene is rendered in a soft, painterly style with a warm color palette of yellows, oranges, and browns.

Notes



THE 3rd UNITED KINGDOM CHAPTER SEMINAR



Date: 3rd - 6th July, 2018

Venue: Holiday Inn London - Regent's Park

Theme: The Accountancy Profession; An Essential Driver for Strong & Sustainable Economies

TOPICS

- The Role of Financial Markets in Sustaining Economic Growth in Developing Economies
- The Future of Audit and Accounting in relation to a Dynamic Technological World
- Public Sector Audit Experience from the UK
- Financial reporting and Accounting Standards
- Emerging Issues in taxation
- Sustainability Reporting
- Sovereign Financing and International Law
- Excelling in the New Business Arena
- IPSAS Accruals for Public Sector Reporting, lessons from UK

TARGET AUDIENCE

Accountants living and working in UK, Kenya, County Governors, Senators, Members of National Assembly Oversight Committees, County Assembly Speakers, County Executives, Board Members, Board Committee members, CEOs, MDs, CFOs, Heads of Government Units, SACCOs officials, Strategy, top management, Governance Consultants and holders of equivalent positions in both public and private sectors.

**20
CPD
Hours**



Category	Early Bird Registration	Normal Registration
	Booking & Payment on or before 25 th June 2018	Booking & Payment or LSO/LPO received by ICPAK after COB 25 th June 2018
Members	KShs. 104,950.00	KShs. 109,950
Non-Members & International Delegates	KShs. 114,950	KShs. 119,950
International Delegates	1100 USDs	1100 USDs
Accompanying Persons	KShs. 52,950 or USDs 526.34	Kshs. 57,950 or USDs 600

Online Booking:

Available at www.icpak.com/events and will close on the **27th June 2018**.

Delegates are reminded to apply visas online early enough.

Further requests can be channeled to us via telephone calls on **+254 723 920 829** or via email to memberservices@icpak.com or henry.ngetich@icpak.com

ANNUAL REPORT 2017

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Vice Chairman

CPA Rose Mwaura

Chief Executive Officer

CPA Edwin Makori

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