



## **RESPONSE TO THE ARTICLE IN THE DAILY NATION AND THE RATIONALE FOR POSITIONING THE CPA BRAND**

Our attention is drawn to the article published on the Daily Nation on May 22nd, 2019 titled “ICPAK on spot over foreign recruitment”

In line with its credo of “upholding Public Interest”, the Institute is concerned by the false and misleading allegations and wishes to point out the following matters of factual significance:

1. The Institute of Certified Public Accountants of Kenya (ICPAK) is the statutory body of accountants established by an Act of Parliament: The Accountants Act, CAP 531 of 1978 of the Laws of Kenya and as repealed under the Accountants’ Act No. 15 of 2008. The Institute is mandated to develop and regulate the Accountancy Profession in Kenya by promoting standards of professional competence and practice amongst members of the Institute and advice on matters of governance and accountability in all sectors of the economy. The Institute is further mandated to advise the Cabinet Secretary of Finance, on matters to do with public finance and accountability.
2. On the International front, the institute is a member of the International Federation of Accountants (IFAC), the global umbrella body for the accountancy profession. IFAC is composed of over 175 members and associates in more than 130 countries and jurisdictions, representing almost 3 million accountants in public practice, education, government service, industry, and commerce. ICPAK Members sit in various board positions and committees including the International Accounting Education Standards Board and the Small and Medium Practices Committee. Shaping and positioning the CPA-K brand across the globe is embedded on the Institute’s Vision and Mission.
3. Given its numbers across the African Continent, the Institute has a permanent slot to sit at the the Pan-African Federation of Accountants (PAFA) Board, and its normally represented by the Chairman of Council and the Institute CEO. In addition, the Institute has been instrumental in setting up and advancing the profession in East Africa through the East Africa Community Institutes of Accountants (EACIA) and has specifically mid-wifed the establishment of the Rwandan Institute and is currently supporting the development of the Institute in Burundi, South-Sudan and Ethiopia.
4. The Institute’s vision is to become “A world class professional accountancy institute.” To achieve this, it has set out Its Mission ‘To develop and promote internationally recognised accountancy profession that upholds public interest through effective regulation, research and innovation.



5. Currently the Institute boasts of a membership in excess of 23,000. Its members work in diverse sectors of the economy as accountants, financial experts, auditor and financial consultants. Over 500 of its members have migrated and are working beyond the borders of Kenya. Members of the Institute are present in 41 different countries around the globe. To assist in recognition of the CPA qualification in the respective countries, the Institute enters into a Mutual Recognition Agreements with the host countries to facilitate acceptance of Kenya's qualification framework enabling members to access opportunities like the natives of the given country.
6. The Institute is dedicated to the development and regulation of the accountancy profession in Kenya so as to enhance its contribution and that of its members to national economic growth and development. Given this mandate, it continuously engages with key stakeholders in the public and private sectors, within and without the boarders to foster accountability, champion areas of mutual interest and expertise. This has led to establishment of various Chapters and Branches to devolve its services and to position and profile the CPA brand.
7. ICPAK Chapters: The Institute has established three (3) Chapters spread across the continents, namely South Africa, United Kingdom (UK) and Australia. For each of the Chapters we have further negotiated Mutual Recognition Agreements (MRAs) with the respective accountancy bodies. The MRAs strengthen the relationship between ICPAK and the respective Institutes, provides a route for many qualified members from each member body to become members of the other body, and enjoy the benefits of both. These include increased international recognition and improved professional mobility. Members of both bodies, who apply under the terms of this agreement, also remain members of their original designation.

The UK Chapter was established in 2014 and the MRA signed in 2015, the South African Chapter was established in 2014 and the MRA signed in September 2017 while the Australian Chapter was established in August 2017 and the MRA has just been approved.

8. ICPAK Branches: The Institute has established nine (9) branch offices across the country covering the 47 counties and are helping us position ICPAK as a reference point on financial accountability matters.
9. The Branches and Chapters are geared towards:
  - a. Reducing the Cost of compliance; it takes members less time and money with decentralised services.
  - b. Meeting the unique Branch & Chapter needs; some of the branches are in areas primarily focused in agriculture or hospitality and their needs are unique.
  - c. Devolved government in Kenya; the Constitution of Kenya 2010, provides for two levels of governance, the central and the county government hence the need to play our roles at both levels of government.



- d. Member networking and resource & experience sharing;
  - e. Mentorship and creation of opportunities for Practical Experience Training Requirements (PER)
  - f. Enhancing Brand Recognition: Branches and Chapters support in profiling and positioning CPA brand through robust engagement at the local and international level.
10. Institute CPD Events: In line with its regulatory mandate and in response to the needs of its members and the members of the public, the Institute undertakes a robust training programme within and without the country on a cost-benefit basis to meet the diverse and dynamic needs of its members and the public at large.
11. Moreover, the Institute has an elaborate governance structure with checks and balances that espouses the core values of the profession (professionalism, credibility and accountability). With this, no single transaction, activity nor programme is undertaken without being planned for, communicated and approved in line with the laid-down policies and procedures.
12. Given the clarifications above, we implore upon the public, our membership, our various stakeholders and partners to verify the authenticity of the facts presented and treat with the contempt it deserves, the misleading allegations being propagated.

Sincerely,

**FCPA Julius Mwatu**  
**Chairman**  
**ICPAK**

