

For Immediate Release

Nairobi September 2, 2019

ICPAK PRESS STATEMENT ON MAASAI MARA UNIVERSITY EXPOSE BY CITIZEN TV

The Institute of Certified Public Accountants of Kenya (ICPAK) wishes to express its solidarity with CPA Spencer Sankale and his colleagues for being bold enough to expose the rot at Maasai Mara University. The expose titled the #Mara Heist was aired by Citizen on Sunday 1st September 2019.

The revelations by CPA Spencer and three others demonstrate the urgent necessity of having a whistle blower protection national legal framework in Kenya. As ‘insiders,’ whistleblowers are often the first and best early warning system for the types of financial malpractices, corruption and regulatory failures now proven as critical risks to the Kenyan economy.

The Institute wants to assure CPA Spencer and other CPAs out there that we shall endeavor to see that they are protected and not victimized for their patriotism and professional acts of saying no to continued plunder of public resources.

In the absence of a strong national legal protection framework, dire consequences have befallen those who have attempted to whistle blow. Government and corporate employees who report wrongdoing to their managers, the media or to regulators have faced dismissal, harassment and other forms of retribution such as reassignment to dead end roles. Some accountants have ended up losing their lives or leaving their companies (involuntarily) moments after speaking up, and many others have suffered through severe hardships such as long-term unemployment, financial instability, anxiety, alcoholism, social isolation, violence and or discrimination, marital problems among others.

The Institute wishes to inform its members and the public at large that the Accountants Act no 15 of 2008 (as amended in the Finance Act 2018) includes critical provisions aimed at protecting our members. Section 30, Subsection (2) of the Accountants Act no 15 of 2008 requires and obligates accountants to observe ICPAK ethical guidelines and applicable standards in the discharge of their duty. Subsection (2B) states that the ethical guidelines and applicable standards of the accountancy profession shall take precedence over any instructions from a client or other person. Subsection (2C) insulates an accountant from any form of harassment, civil suit or being subjected to a disciplinary action for taking such actions or decisions or rejecting instructions from a client if such action, decision or rejection is in pursuance of the provisions of subsections (2A) and (2B).



While the provisions in the Accountants Act apply to all members who are practicing accountancy, the country lacks an adequate national whistleblowing legal framework to protect patriotic Kenyans who have the courage to whistle blow and expose corrupt deals within their jurisdictions.

ICPAK has further developed a member protection policy that has been approved by the Council. There's an ongoing process to operationalize whistleblowing mechanisms at the Institute including providing for an anonymous reporting process (that will be used by the Institute's members or the public to report financial malpractices) and establishing a member protection fund, among others guidelines.

ICPAK urges the Government to put in place whistleblowers legal protection mechanisms to insulate patriotic professionals who refuse to be mired into fraud and professional malpractices. Parliament should move with speed and pass the Whistleblowers Act that will facilitate establishment of a Whistleblowers Protection Agency. It is in the public interest that the law protects whistleblowers so that they can freely speak out if they come across malpractices in an organization. The Institute stands ready to work with Parliament and all other professional bodies in Kenya to actualize this legislation.

Meanwhile, as we wait for these laws to be put in place, the Witness Protection Agency should ensure that the safety of these whistleblowers is maintained. The information they have shared with the Directorate of Criminal Investigations (DCI) is critical in the fight against corruption at their work place.

The Institute will immediately commence investigations into the matter to ensure that ICPAK has full information on the role its members played in the theft of public funds at the University. Any member found culpable will be dealt with in accordance with the Institute's disciplinary mechanism.

We request our members to remain true to the profession and ensure they maintain high ethical standards and follow the rule of law at all times. We implore our members to take this path of courage and ensure we uphold public interest. Any form of malpractice should be reported and brought to the light as we join the nation in the fight against corruption.

Finally, we urge all organizations in Kenya, both public and private, to ensure that they only employ qualified accountants who are registered members of ICPAK in all positions of responsibility in the areas of finance, accounting, revenue, budgeting, internal & external audit, internal controls, and other accounting related functions.

CPA Rose Mwaura, MBS
ICPAK Chairman