



# MEMBERS BENEVOLENT SCHEME

SPECIAL PURPOSE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2025



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## Institute Information For the year ended 31 December 2025

### Members of the Council

<b>Chairman</b>	CPA Prof. Elizabeth Kalunda CPA Philip Kakai	Elected in June 2025 Retired in June 2025
<b>Vice - Chairman</b>	FCCA Bernard Amuka CPA Prof. Elizabeth Kalunda	Elected in June 2025 Retired in June 2025
<b>Members</b>	FCCA Georgina Malombe FCCA Hesbon Omollo FCCA Risper Olick CPA Olive Gitau CPA Wycliff Bichanga CPA Chrispus Mbogo CPA Jona Wala  CPA Jane Wacuka, OGW  FCCA Prof. Nicholas Letting  CPA Matthew Mukisu	Re-elected in June 2024 Re-elected in June 2024 Retired in June 2025 Elected in September 2023 Elected in June 2024 Elected in June 2025 Representing National Treasury (Retired 19th December 2025) Representing National Treasury (Appointed 20th December 2025) Representing Kasneb (Appointed in May 2019) Representing Capital Markets Authority (Appointed in July 2022)
<b>Chief Executive Officer and Secretary to the Council</b>	CPA Dr. Grace Kamau	Appointed 6th January 2023

#### Registered office and principal place of business

CPA Centre, Ruaraka, Thika Road  
P.O. Box 59963 - 00200, Nairobi  
Telephone: +254 (020) 2304226, 2304227  
Mobile: +254727 531006/733 856262/  
721 469796/721 469169  
E-mail: icpak@icpak.com  
Website: www.icpak.com

#### Independent auditor

Baker Tilly  
Certified Public Accountants of Kenya  
1st Floor, New Rehema House  
Raphta Road, Westlands  
P.O. Box 67486 - 00200, Nairobi, Kenya  
Telephone: (+254) 738 600 209/( +254) 20 2592 780  
Email: reception2@bakertilly.ke  
Website: www.bakertilly.ke

#### Principal bankers

Standard Chartered Bank Kenya Limited,  
Ruaraka Branch, P.O. Box 32886 - 00600,  
Nairobi, Kenya.  
Telephone: + 254 (020) 3293393/4  
Email: straight2bank.ke@sc.com  
Website: www.sc.com/ke/

ABSA Bank Kenya PLC  
Queensway House Branch  
P.O. Box 30116- 00100, Nairobi, Kenya  
Telephone: +254 723 130 120/722 130 120  
Email: absa.kenya@absa.africa  
Website: www.absabank.co.ke

#### Legal Advisors

Ogembo and Associates  
1st Floor, Westpark Towers Mpesi Lane, off  
Muthithi Road P.O. Box 29820 - 0100, Nairobi

# Report of the Council

For the year ended 31 December 2025

The Council submits its report together with the special purpose financial statements for the year ended 31 December 2025, which disclose the state of affairs of the ICPAK Members Benevolent Scheme.

## 1. Establishment

During 333rd Council meeting held in May 2016 the Council approved the proposal to establish a Benevolent Scheme for the members. Subsequently this proposal was presented during the 38th Annual General Meeting and was adopted and approved by the members. The benefits were further enhanced in June 2020 during the 42nd Annual General Meeting.

## 2. Principal activities

The Scheme has been put in place to support members and their families by supplementing last expense budgets.

The funds support members as follows;

- In the event of death of the member
- In the event of death of the member's spouse
- In the event of death of any of the four enrolled primary minor dependents of the member
- In the event of death of an enrolled parent or parent-in-law of a member

## 3. Membership

	2025 No.	2024 No.
<b>Active members at the end of the year</b>		
Practising	1,586	1,533
Non practising	22,095	21,344
Overseas	289	292
Retired	1,074	1,110
Associates	2,128	2,149
<b>Active members at end of year</b>	<b>27,172</b>	<b>26,428</b>
<b>Active members at the beginning of year</b>	<b>26,428</b>	<b>25,463</b>
New members in the year	2,032	1,471
Deceased and change of status	(205)	(185)
	<b>28,255</b>	<b>26,749</b>
Members in default	(1,565)	(1,505)
Recovered	482	1,184
<b>Active members at end of year</b>	<b>27,172</b>	<b>26,428</b>
Full members	25,044	24,279
Associate members	2,128	2,149
<b>Active members at end of year</b>	<b>27,172</b>	<b>26,428</b>

Active members are those that have fully paid their subscriptions and those with less than two years of outstanding subscriptions as at year-end.

## Report of the Council (continued)

For the year ended 31 December 2025

### 4. Results for the year

Net surplus for the year

2025 Kshs '000'	2024 Kshs '000'
12,803	22,435

### 5. Members of the Council

The members of the Council and members who held office during the year and to the date of this report are set out on page 1.

### 6. Statement as to disclosure to the Scheme's auditor

With respect to each member of the Council at the time this report was approved:

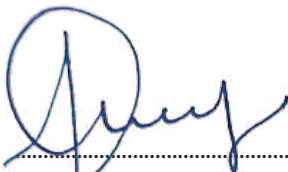
- there is, so far as each Council member is aware, no relevant audit information of which the Scheme's auditor is unaware; and
- the member of the Council has taken all the steps that the member of the Council ought to have taken as a member of the Council so as to be aware of any relevant audit information and to establish that the Scheme's auditor is aware of that information.

### 7. Terms of appointment of the auditor

The Council approve the annual audit engagement contract, which sets out the terms of the auditor's appointment and the related fees.

The Scheme's auditor, Baker Tilly was appointed during the year and has indicated its willingness to continue in office in accordance with the terms of the engagement.

### By order of the Council



CPA Dr. Grace Kamau

**CEO and Secretary to the Council**

11th May 2026

## Statement of the Council's Responsibilities

For year ended 31 December 2025

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The Council is required to prepare special purpose financial statements for each financial year that give a true and fair view of the state of affairs of the Members Benevolent Scheme 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 Scheme keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Benevolent Scheme. The Council is also responsible for safeguarding the assets of the Benevolent Scheme.

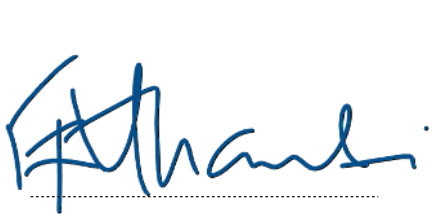
The Council accepts responsibility for the preparation and fair presentation of these special purpose financial statements in accordance with the selected accounting policies. They also accept responsibility for:

- i. designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error;
- ii. selecting suitable accounting policies and applying them consistently; and
- iii. making accounting estimates and judgements that are reasonable in the circumstances.

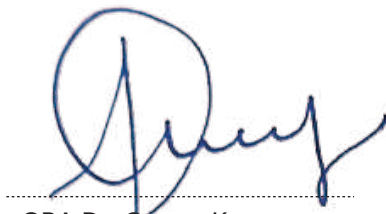
Having made an assessment of the Scheme's ability to continue as a going concern, the Council is not aware of any material uncertainties related to events or conditions that may cast doubt upon the Scheme's ability to continue as a going concern.

The Council acknowledge that the independent audit of the special purpose financial statements does not relieve them of their responsibilities.

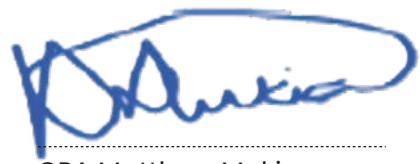
Approved by the Council on **11th May 2026** and signed on their behalf by:



CPA Prof. Elizabeth Kalunda  
**Chairman**



CPA Dr. Grace Kamau  
**CEO and Secretary to  
the Council**



CPA Matthew Mukisu  
**Convenor, Finance and  
Strategy Committee**



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## **Report of the independent auditor**

**To the members of the Institute of Certified Public Accountants of Kenya - Members Benevolent Scheme,  
For the year ended 31 December 2025**

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### **Opinion**

We have audited the financial statements of Institute of Certified Public Accountants of Kenya (ICPAK) - Members Benevolent Scheme (the scheme), set out on pages 7 - 15, which comprise of the statement of financial position as at 31 December 2025, the statement of income and expenditure and statement of cash flows for the year then ended, and notes to the financial statements including a summary of selected accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of financial position of the ICPAK Members Benevolent Scheme as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with selected accounting policies.

### **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 ICPAK Members Benevolent Scheme in accordance with the International Ethics Standards *Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards)* (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.

### **Basis of accounting and restriction on distribution and use**

Without modifying our opinion, we draw attention to Note 1 to these special purpose financial statements, which describes the basis of accounting. The financial statements are prepared to inform members of the financial position of the scheme and of its performance for the year ended 31 December 2025. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for members of the ICPAK Members Benevolent Scheme and should not be distributed to or used by parties other than the members of the ICPAK Members Benevolent Scheme.

### **Other information**

The Council are responsible for the other information. Other information comprises the information in the reports accompanying 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 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, 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.

*Report of the independent auditor (continued)*

*To the members of the Institute of Certified Public Accountants of Kenya - Members Benevolent Scheme,*

*For the year ended 31 December 2025*

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**Councils' responsibility for the financial statements**

The Council are responsible for the preparation of financial statements that give a true and fair view in accordance with selected accounting policies, 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 ICPAK Members Benevolent Scheme 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 ICPAK Members Benevolent Scheme 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 ICPAK Members Benevolent Scheme internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management'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 ICPAK Members Benevolent Scheme 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 the auditor's report. However, future events or conditions may cause the ICPAK Members Benevolent Scheme to cease to continue as a going concern; and

We communicate with those charged with governance 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.

*Report of the independent auditor (continued)*

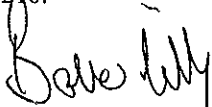
*To the members of the Institute of Certified Public Accountants of Kenya - Members Benevolent Scheme,  
For the year ended 31 December 2025*

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**Other Matter**

ICPAK has prepared a separate set of financial statements for the year ended 31 December 2025 in accordance with International Financial Reporting Standards on which we issued a separate auditor's report to the members of ICPAK dated 29 May 2026.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Rishi Bhandari. P/No. 2216.



**Baker Tilly**  
**Certified Public Accountants**  
**P.O. Box 67486 - 00200, Nairobi**

**Date: 29 May 2026**



UNIQUE CODE: 49927200528

## Statement of income and expenditure for the year ended 31 December 2025

	Note	2025 Kshs'000'	2024 Kshs'000'
<b>Income</b>			
Contributions income	4	35,678	34,917
Interest income	5	19,451	18,881
<b>Total Income</b>		<b>55,129</b>	<b>53,798</b>
<b>Expenses</b>			
Claims paid	6	(30,665)	(27,050)
Benevolent write-offs	7	(3,978)	(3,882)
Expected credit losses	8	(7,237)	-
Other expenses		(446)	(431)
<b>Net contribution for the year</b>		<b>12,803</b>	<b>22,435</b>

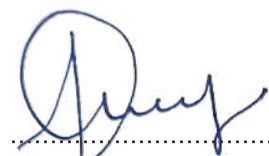
## Statement of financial position as at 31 December 2025

	Note	2025 Kshs'000'	2024 Kshs'000'
<b>Assets</b>			
Receivables	9	6,341	5,802
Term deposits	10	155,702	112,466
Cash and cash equivalents	11	4,536	35,392
		<b>166,579</b>	<b>153,660</b>
<b>Current liabilities</b>			
Contribution received in advance		(6,359)	(6,258)
Accrued expenses	12	(446)	(431)
		<b>159,774</b>	<b>146,971</b>
<b>Net assets and liabilities</b>			
Net asset	13	<b>159,774</b>	<b>146,971</b>

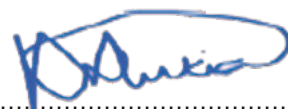
The financial statements on pages 8 to 15 were approved for issue by the Council on 11th May 2026 and were signed on its behalf by:



CPA Prof. Elizabeth Kalunda  
**Chairman**



CPA Dr. Grace Kamau  
**CEO and Secretary to the Council**



CPA Matthew Mukisu  
**Convenor, Finance and Strategy  
Committee**

## Statement of cash flows for the year ended 31 December 2025

	Note	2025 Kshs'000'	2024 Kshs'000'
<b>Cash flow from operating activities</b>			
Surplus for the year		12,803	22,435
(increase)/Decrease in term deposits	10	(43,236)	5,047
Increase in receivables	9	(539)	(886)
increase in Advance Contributions		101	6,258
increase in accrued expenses	12	15	21
<b>Cash generated from/(used in) operating activities</b>		<b>(30,856)</b>	<b>32,875</b>
<b>Movement in cash and cash equivalents:</b>			
At the start of the year	11	35,392	2,517
Net (Decrease)/increase in cash and cash equivalents		(30,856)	32,875
<b>At the end of the year</b>	11	<b>4,536</b>	<b>35,392</b>

# Notes

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## 1. Material accounting policy information

### a) Basis of preparation

The special purpose financial statements have been prepared on a going concern basis and in accordance with the accounting policies set out in the notes below.

They are presented in Kenyan Shillings, which is also the functional currency, rounded to the nearest thousand (Kshs. '000).

### Measurement basis

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies summarised below.

Under the historical cost basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or, in some cases, at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

### b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Benevolent scheme and the revenue can be reliably measured.

### Contributions

Contribution income is receivable together with the annual subscription fees from the ICPAK members.

Contribution income is recognized on a straight-line basis over the subscription period as members receive and consume the benefits of goods or services provided by the Benevolent Scheme.

### Interest

Interest income is recognised on a time proportion basis using the effective interest method

### Other income

Other income is recognized when received.

### c) Claims

Claims are paid when any of the losses envisaged by the scheme occurs. The schedule below shows the risks currently covered and the amounts claimable for each category.

## Notes (continued)

### 1. Material accounting policy information (continued)

	Annual Amount per claim Kshs '000'
Principal/Member	160
Spouse	100
Dependent	75
Parent/Parent in law	50

#### d) Write off policy

Any contributions outstanding for more than 2 years are written off and the amount written off is recognized in the profit and loss statement.

#### e) Cash and cash equivalents

Cash and cash equivalents comprise term deposits and cash at bank.

#### f) Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognized but are disclosed unless they are remote.

### 2. Financial risk management objectives and policies

The Scheme's activities exposes it to a variety of financial risks, including credit risk and liquidity risk. The Scheme's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the management under policies approved by the Council Members. Management identifies, evaluates and hedges financial risks in close cooperation with various departmental heads. The council provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instrument, and investment of excess liquidity.

#### **Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables.

#### **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through adequate amount of committed credit facilities and the ability to close out market positions.

## Notes (continued)

### 2. Financial risk management objectives and policies (continued)

#### Market risk

**Interest rate risk:** The fund is not exposed to interest rate risk

**Currency risk:** Currency risk arises on financial instruments denominated in foreign currency. The fund has no receivables and payables denominated in foreign currency.

**Other Price Risk:** The fund is not exposed to other price risks

### 3. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances:

#### Critical judgments in applying the entity's accounting policies

In the process of applying the Scheme's accounting policies, the council has made judgments in determining the classification of financial assets, provisions and contingencies.

### 4. Contribution income

	2025 Kshs'000'	2024 Kshs'000'
<b>Contributions income</b>	<b>35,678</b>	<b>34,917</b>

Contribution income represents member contributions to the Benevolent Scheme.

### 5. Interest income

	2025 Kshs'000'	2024 Kshs'000'
<b>Interest Income</b>	<b>19,451</b>	<b>18,881</b>

Interest income is attributed to benevolent funds invested in term deposits. These fixed deposits have an average interest rate of 10% per annum (2024: 15.27%). The modest decrease in interest income during the year is primarily due to a reduction in prevailing interest rates.

### 6. Claims paid

	2025 Kshs'000'	2024 Kshs'000'
<b>Claims paid</b>	<b>30,665</b>	<b>27,050</b>

This represents the amounts paid off to bereaved members. A schedule showing the breakdown of the paid claims in 2025 and 2024 is shown in the table below.

## Notes (continued)

### 6. Claims paid (continued)

Year ended 31 December 2025	Amount per Claim Kshs '000'	Number of claims	Total Amount paid Kshs '000'
Principal/Member	160	24	3,840
Spouse	100	22	2,200
Dependent	75	15	1,125
Parent/Parent in law	50	470	23,500
<b>Total</b>		<b>531</b>	<b>30,665</b>

Year ended 31 December 2024	Amount per Claim Kshs '000'	Number of claims	Total Amount paid Kshs '000'
Principal/Member	160	25	4,000
Spouse	100	15	1,500
Dependent	75	10	750
Parent/Parent in law	50	416	20,800
<b>Total</b>		<b>466</b>	<b>27,050</b>

### 7. Benevolent write-offs

	2025 Kshs'000'	2024 Kshs'000'
Benevolent write-offs	<b>3,978</b>	<b>3,882</b>

Benevolent Write-offs are member contributions outstanding for more than 2 years.

### 8. Other expenses

	2025 Kshs'000	2024 Kshs'000
	<b>446</b>	<b>431</b>

This relates to outstanding contributions from members.

### 9. Receivable

	2025 Kshs'000'	2024 Kshs'000'
Contribution receivable	<b>6,341</b>	<b>5,802</b>

This relates to outstanding contributions from members.

## Notes (continued)

### 10. Term deposits

	2025 Kshs'000'	2024 Kshs'000'
Term deposits	155,702	112,466

The investment income arising from term deposits has been disclosed under interest income (Note 5).

The Scheme's term deposits are held with major Kenyan financial institutions and, in so far as the Council is able to measure any credit risk to these assets, it is deemed to be limited.

Management monitors the credit quality of financial assets by:

- discussion at the management and Council meetings;
- reference to external historical information available;

The maximum exposure to credit risk as at reporting date is the carrying amounts of the financial assets as disclosed above.

None of the financial assets are impaired.

The average interest rate on term deposits at year-end was 10% (2024: 15.27%)

### 11. Cash and cash equivalents

	2025 Kshs'000'	2024 Kshs'000'
Cash at bank	4,536	35,392

For the purpose of the cash flow statement, cash and cash equivalents comprise the above balances.

### 12. Accrued expenses

	2025 Kshs'000'	2024 Kshs'000'
Audit fees	446	431

Accruals for the period relate to the accrued audit fees for the scheme.

## Notes (continued)

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### 13. Net asset

	2025 Kshs'000'	2024 Kshs'000'
At start of the year	146,971	124,536
Surplus for the year	12,803	22,435
At the end of the year	<b>159,774</b>	<b>146,971</b>

### 14. Contingent liabilities and commitments

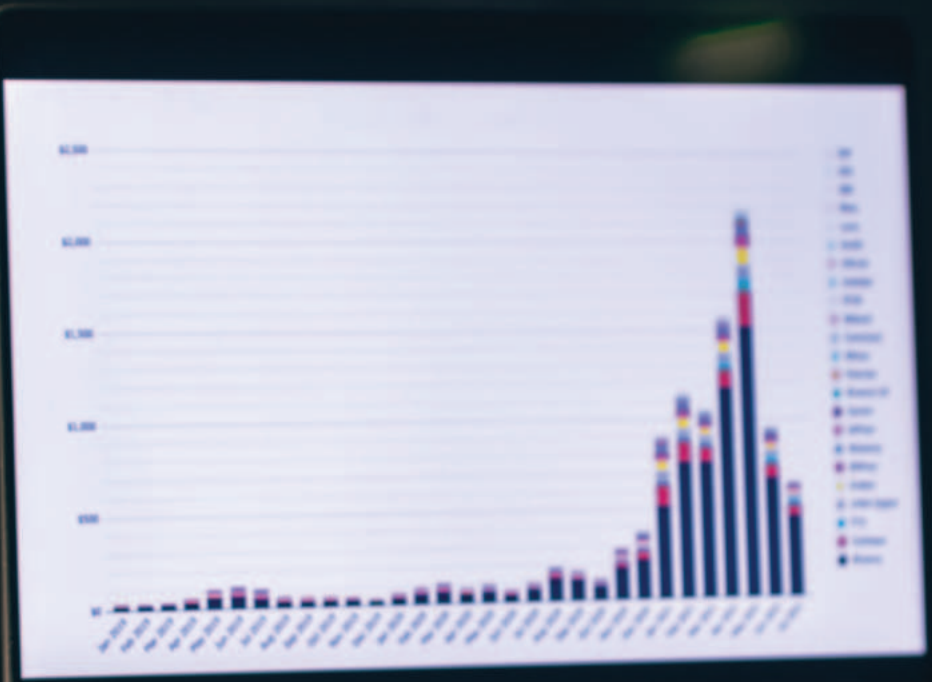
There were no contingent liabilities and commitments as at 31 December 2025 (2024: Nil).

### 15. Currency risk

The ICPAK Members Benevolent Scheme operates wholly within Kenya and its assets and liabilities are reported in the local currency. It therefore held no significant foreign currency exposure as at 31 December 2025.

### 16. Comparatives

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





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