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**Intergovernmental Working Group of Experts on  
International  
Standards of Accounting and Reporting  
(ISAR)**

**30<sup>th</sup> SESSION**  
6 - 8 November 2013  
Room XVIII, Palais des Nations, Geneva

Thursday, 7 November 2013  
Morning Session

***Preliminary Report on Accounting  
Development Tool assessment questionnaire***

Presented by

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# PRELIMINARY REPORT ON ACCOUNTING DEVELOPMENT TOOL ASESMENT QUESTIONNAIRE

6<sup>th</sup> November 2013

UNCTAD, Geneva, Switzerland

PRESENTED BY  
CPA EDWIN MAKORI  
DIRECTOR PROFESSIONAL SERVICES

Credibility, Professionalism, AccountAbility

## About ICPAK



**Establishment:** The Institute is a statutory body created by the Accountants' Act of 1978, and reviewed in 2008.

**Membership:** Currently have over 12000 members across Kenya and in 50 countries worldwide.

**Governance:** Council, Committees and Secretariat of 65 professional staff headed by a CEO

**Mandate:** The mandate of the Institute as provided by the Act includes the following:

- Promote the standards of professional competence and practice of accountancy in Kenya;
- Promote research into the subjects of accountancy and finance and related matters, and the publication of books, periodicals, journals and articles among to develop and regulate the accountancy profession in Kenya.
- Promote the international recognition of the Institute; and
- To advise on matters touching on accountability in all sectors of the economy among others.

# Country Brief:



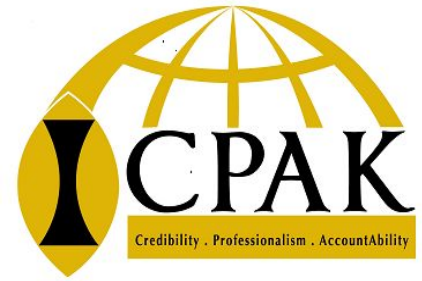
Item	Status	Source
Number of listed companies	<p>There are 62 (61 as at June 30, 2013) listed companies</p> <p>The listed companies are divided into 11 sectors.</p>	<p><a href="https://www.nse.co.ke/listed-companies/list.html?limitstart=0">https://www.nse.co.ke/listed-companies/list.html?limitstart=0</a></p>
Number of companies that are required to have an audit report	<p>Companies registered under the companies Act are required to have an audit report.</p> <p><i>In addition, different legislations governing PIEs such as Universities Acts, Retirement Benefit Authority Act etc provides for audits.</i></p>	<p>Companies Act Cap 486 Retirement Benefits Act Capital Market Authority Act Insurance Regulatory Act Central Bank Act University Education Act</p>
Securities exchanges in the country	<p>Only 1 securities Exchange in Kenya. Currently the NSE has a <a href="#">Market capitalisation</a> of KShs 1.618.27 trillion (US\$ 18.5 billion) [31 December 2012 KShs. 1.21 (US\$ 12.46 billion)]. The NSE uses three indices as:-</p> <ul style="list-style-type: none"> <li>•NSE 20 share Index</li> <li>•NSE All Share Index (NASI)</li> <li>•FTSE NSE Indices</li> </ul>	<p><a href="https://www.nse.co.ke">https://www.nse.co.ke</a> <a href="http://www.centralbank.go.ke/images/docs/Monthly%20Economic%20Reviews/2013/MER%20June%202013.pdf">http://www.centralbank.go.ke/images/docs/Monthly%20Economic%20Reviews/2013/MER%20June%202013.pdf</a></p>

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# Country Brief:



Item	Status	Source
Trade volume at the end of the previous year for each stock exchange	Volume of shares traded as at 31 December 2012 amounted to KShs 173.59 billion (US\$ 2.05 billion) In 2012, turnover for fixed income securities amounted to KShs. 141.41 billion (US\$ 1.68 billion).	<a href="https://www.nse.co.ke/about-nse/investor-relations/nse-annual-reports.html">https://www.nse.co.ke/about-nse/investor-relations/nse-annual-reports.html</a>
Number of certified/professional/chartered auditors	ICPAK has 2,042 licensed practitioners. Active members are 1, 243.	<a href="http://www.icpak.com">www.icpak.com</a>

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## Country Status in Financial Reporting



The Institute and the Country adopted the use of Accounting Standards as pronounced by IFAC in the year 1999 and has continuously implemented and adopted any change to the standards for the last 14 years

The Country also is proud of Having a financial reporting excellence award (**FiRe Award**) that promotes international corporate reporting standards and has been running for the last 12 years

# Country Status on ADT Questionnaire



Period Started		August 2013
Participants/Respondents		27
<b>Classification</b>		
a. Government authorities responsible for accounting and audit regulations,	1	
b. Securities commission	1	
c. Banking sector	3	
d. Insurance sector	3	
e. Stock exchange	1	
f. Standard setters in various areas of corporate reporting	2	
g. Audit Chamber	1	
h. Accounting firms	6	

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# Country Status on ADT Questionnaire contd...



Period Started		August 2013
Participants/Respondents		27
<b>Classification</b>		
i. Professional Accounting Organizations (PAO)	1	
j. Academia	4	
k. Public sector accounting authorities	1	
l. Small and Medium Sized Enterprises (SME) regulator and/or associations	1	
m. Institute of Directors	1	
n. Experts in the Corporate Social Responsibility (CSR) area	1	

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**The End**

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