

ICIFA

INSTITUTE OF CERTIFIED INVESTMENT AND FINANCIAL ANALYSTS



2020

Annual Report & Financial Statements

Corporate Information and Advisors

LEGAL MANDATE

The Investment and Financial Analysts Act (No. 13 of 2015) provides for the establishment, powers and functions of the Institute of Certified Investment and Financial Analysts (ICIFA).

VISION STATEMENT

To be a global leader in standards of professional ethics, training and research for investment and financial professionals.

MISSION STATEMENT

To provide competent investment and finance professionals whilst upholding integrity and promoting research and innovation in financial markets.

CORE VALUES

Integrity
Professionalism
Accountability
Innovation
Excellence

REGISTERED OFFICE

Institute of Certified Investment and
Financial Analysts (ICIFA)
KASNEB Tower II, 5th Floor Upper Hill,
Nairobi
P.O Box 48250-00100, GPO
Nairobi Kenya.
Tel: +254 726 498 698
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BANKERS

NCBA Bank
NCBA HOUSE Branch, Masaba Road
P.O Box 30090-00100 GPO
Nairobi, Kenya

National Bank of Kenya
National Bank Building
Harambee Avenue
P.O Box 41862-00100 GPO
Nairobi, Kenya

AUDITORS

1. The Auditor General
Anniversary Towers, University Way,
P.O Box 30084-00100, Nairobi.
Telephone: +254-20-342330
Fax:+254-20-311482
Email: oag@oagkenya.go.ke
Website: www.kenao.go.ke
2. Authorized Auditor by the Auditor
General
DK Waweru & Associates,
Certified Public Accountants of
Kenya,
2nd floor, Commonwealth House,
Moi Avenue,
P.O. Box 96-00618, Ruaraka, Nairobi.
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In the year 2020, we realized resilient growth in many areas amidst the effects of the COVID-19 Pandemic

INSTITUTE OF CERTIFIED INVESTMENT AND FINANCIAL ANALYSTS (ICIFA)

We are dedicated to providing region-wide network and promoting the role of the profession in the fields of investment and financial analysis, pension funds, asset management, corporate finance, investment and finance training, fund management, financial advisory, wealth management, real estate investment, insurance investment advisory, capital markets operations, and investment banking among others.

About Us



ICIFA is the professional Investment and Financial Analysts' body mandated by law to regulate the Investment and Financial Analysis profession in Kenya, being the only body authorized by law to register and grant practising certificates to Certified Investment and Financial Analysts (CIFAs) in Kenya both in private and public practice under the Investment and Financial Analysts Act (No.13 of 2015).

We are dedicated to providing

region-wide network and promoting the role of the profession in the fields of investment and financial analysis, pension funds, asset management, corporate finance, investment and finance training, fund management, financial advisory, wealth management, real estate investment, insurance investment advisory, capital markets operations, and investment banking among others. ICIFA provides highly skilled, competent, competitive professional expertise in all sectors in the

investment and finance industry.

We are globally affiliated with Association of Certified International Investment Analyst (ACIIA) based in Switzerland, Chartered Institute for Securities & Investment (CISI), the African Securities Exchange Association (ASEA) and the Association of Professional Societies in East Africa (APSEA). The examination body for Certified Investment and Financial Analysts Examination is Kasneb

LEGAL MANDATE

The Investment and Financial Analysts Act (No.13 of 2015) provides for the establishment, powers and function of the Institute of Certified Investment and Financial Analysts, for the provision of the examination and registration of certified investment and financial analysts, and for connected purposes.



NOTICE OF THE 6TH ANNUAL GENERAL MEETING INFORMATION AND ADVISORS



NOTICE is hereby given that the 6th Annual General Meeting of the Institute of Certified Investment and Financial Analysts (ICIFA) will be held via virtual communication on Friday, 25 June 2021 at 11.00 am (EAT) to transact the following business:

Ordinary Business

1. To confirm the presence of a quorum.
2. To read the notice convening the meeting.
3. To confirm minutes of the Annual General Meeting held on 26 June 2020.
4. To receive, consider and adopt the Council's report.
5. To receive, consider and adopt the Financial Statements for the year ended 31 December 2020 and the Auditor's report thereon.
6. To confirm the election of the Chairperson of the Institute pursuant to Section 7 of the Investment and Financial Analysts Act (No. 13 of 2015) and the First Schedule of the Act.
7. To confirm the election of two Council members to fill vacancies in the Council pursuant to Section 11(f) of the Investment and Financial Analysts Act (No. 13 of 2015) and

the Second Schedule of the Act:

- i) FA Einstein Kihanda, though not retiring by rotation, resigns as Council member and Vice-Chairperson and offers himself for the position of Chairperson of the Institute.
 - ii) FA Catherine Theuri, who is retiring by rotation, and not being eligible for re-election.
8. To note that the Financial Statements for the year ending 31 December 2021 shall be audited by the Auditor General.
 9. To consider any other business of an Annual General Meeting for which due notice has been given.

By Order of the Council

FA Diana Muriuki-Maina
SECRETARY

17 May 2021

Important Notes

1. Under the prevailing Coronavirus 2019 (Covid-19) pandemic, it is not possible to hold a physical Annual General Meeting due to mandatory health and Government requirements.
2. According to section 8 of the By-laws of the Institute, the method of voting shall be manual ballot system or electronic ballot or as may be determined by the Council. The Council elections in 2021 shall only be by electronic voting.
3. Only fully paid up Full members /Fellows of the Institute as at Monday, 31 May 2021 shall be entitled to vote via electronic voting.
4. Electronic voting for Council elections will be held from Monday, 21 June 2021, 11.00 am to Thursday, 24 June 2021, 11.00 am. Proxies for Council elections will not be allowed.
5. Every fully paid up Full member / Fellow of the Institute is entitled to appoint a proxy from among the fully paid up Full members / Fellows of the Institute to attend and vote in respect of the Annual General meeting resolutions on their behalf electronically.
6. To be valid, proxy forms must be received by the Secretary using ceo@icifa.co.ke not later than Friday 18 June 2021 at 11.00 am before the Annual General Meeting.
7. Fully paid up Full members / Fellows intending to attend the virtual Annual General Meeting are requested to register by Friday, 18 June 2021, 11.00 am. The link and the necessary credentials for accessing the meeting electronically will be made available later.
8. An item may only be considered under any other business of an Annual General Meeting if received by the Secretary using ceo@icifa.co.ke not later than forty-eight (48) hours before the Annual General Meeting.



CHAIRMAN'S REPORT

I am pleased to present my second and last report as Chairman of the Institute of Certified Investment and Financial Analysts (ICIFA) and cordially welcome you all to our 6th Annual General Meeting which, like the previous year, is being held virtually due to the Covid-19 pandemic.

We appreciate the Council and the Secretariat for ensuring that the virtual AGM is held. In the year 2020, we realized resilient growth in many areas amidst the effects of the Covid-19 pandemic. A summary of the year 2020 achievements, activities and challenges is incorporated in this report.

MEMBERSHIP

The Institute's membership continues to grow steadily and as at 31 December 2020 stood at a total of 902 members, of whom 689 were Full members and 213 were Associate members. Out of the 689 Full members, 264 have been granted Practising Licences.

A total of 69 new Full and Associate members joined the Institute during the year compared to 108 in 2019 primarily due to the worsening effect of the Covid-19 pandemic in 2020 on newly qualified CIFA graduates as affordability became a major challenge. Notwithstanding this, we are hopeful that given the gradual reopening of the economy this year, the Institute's membership is expected to surpass the 1,000 mark in 2021.

Heartly congratulations to the Council and especially the Registration Committee for continuing to do an exceptional job of vetting, registering and licensing w

members. The Membership Services Committee and the Secretariat also deserve special mention for their recruitment efforts.

As I mentioned last year, the Institute's plan is for Kenya and the region to have a vibrant critical mass of investment and finance professionals of integrity who are well equipped with skills and knowledge to help steer our economic and social transformation.

With regard to registered firms, to date 95 firms been registered, up from 92 the previous year, categorized into securities exchange, fund management, investment banking, stockbroking, investment and transaction advisors and investment and financial advisory firms.

PARTNERSHIPS AND COLLABORATION WITH OTHER ORGANIZATIONS

We continued to maintain strong working relationships with our partner organizations during the year. I am pleased to highlight these partnerships and, most importantly, the developments and areas of collaboration experienced in 2020:

A) Kasneb

Kasneb remains a key partner for our Institute as the Examinations Board and collaborator. Kasneb continued to support the Institute by waiving rental charges in the second quarter of 2020 taking into cognizance the lockdown of the economy that occurred during the period due to the Covid-19 pandemic and this has been recognized as subventions to the Institute.

We therefore appreciate Kasneb's continued support

to ensure that the Institute remains sustainable and, as such, we specifically thank the Kasneb CEO, FA Dr. Nicholas Letting' and the Kasneb Board, for their unwavering support.

The Council and the Kasneb Board held a joint workshop in November 2020 to deliberate on matters of mutual interest by the two organisations given the existing formal Memorandum of Understanding (MOU).

In recognition of one of the Institute's mandates, under the Investment and Financial Analysts Act, (No. 13 of 2015), the Institute played a key role in the revision of the Certified Investment and Financial Analysts (CIFA) syllabus in the year 2019-2020 which, as was mentioned last year, was finalized.

The revised CIFA qualification has been restructured and will now comprise 17 papers, down from 18 papers previously, to be administered in three levels as follows:

(i) Foundation Level

1. Financial Accounting
2. Professional Ethics and Governance
3. Regulation of Financial Markets
4. Economics
5. Quantitative Analysis
6. Introduction to Finance and Investments

(ii) Intermediate Level

7. Financial Statements Analysis
8. Equity Investments Analysis
9. Corporate Finance
10. Portfolio Management
11. Public Finance and Taxation for Investment Analysts

(iii) Advanced level

12. Leadership and Management
13. Fixed Income Investment Analysis
14. Alternative Investments Analysis
15. Advanced Portfolio Management
16. Derivatives Analysis
17. Practical paper in financial modelling and data analytics

The job titles for CIFA professionals were identified based on the levels of proficiency and learning outcomes at foundation, intermediate and advanced levels as follows:

a) Foundation Level

- Investment Analyst
- Financial Analyst
- Equity Trader/Dealer/Analyst
- Fixed Income Trader/Dealer/Analyst
- Forex Dealer/Analyst
- Financial Advisor/Planner
- Risk Analyst
- Derivatives Trader/Analyst
- Commodities Trader
- Research Analyst
- Quantitative Analyst

b) Intermediate Level

- Senior Investment Analyst
- Senior Research Analyst
- Investment Associate
- Investment Consultant
- Investment Specialist
- Portfolio Administrator
- Investment Officer
- Investment/Portfolio Manager
- Treasury Analyst
- Transaction Advisor
- Wealth Advisor

c) Advanced Level

- Chief/Principal Investment Officer
- Head of Risk and Compliance
- Head of Portfolio/ Wealth Management
- Pensions Manager
- Treasury Manager
- Wealth Advisory Manager
- Senior Pensions Officer
- Head of Research
- Chief Executive Officer
- Chief Financial Analyst
- Chief Investment Strategist
- Head of Business Development
- Senior Investment Associate
- Public-Private Partnership Financial Specialist

There are key potential areas of collaboration which are planned for consideration between the two

organisations particularly the following:

- Development of study packs
- Research and innovation
- Student membership, mentorship and internship
- Organising workshops on emerging trends
- Representation of ICIFA on Kasneb Board and Committees
- Lobbying on national policies and legislations
- Promotion of ICIFA nationally, regionally and internationally.
- Administration of integrity test to ICIFA members
- Event sponsorships
- Cross sharing of information such as on CIFA graduates
- Conducting joint webinars for CIFA students

We are grateful to Kasneb for appreciating the important role of the Institute in shaping the future investment and finance professional.

During the year, Kasneb, which is represented on the Council and the Registration Committee, continued to support the Institute in its initiative of holding forums for Certified Investment and Financial Analysts (CIFA) graduates in providing mentorship and career guidance to the CIFA graduates.

While there were no graduates during the year due to the suspension of examinations given the Covid-19 pandemic, the Institute held a virtual forum for the CIFA graduates in November 2020 which had a positive impact on the graduates and highlighted the need for launching a mentorship and trainee programme for CIFA students.

The Institute is in the process of establishing an Apprenticeship programme in the Financial Market through the Registration Committee and the Membership Services Committee whose main objective will be to provide mentorship and practical training experience which will ultimately raise quality assurance programmes in the investment and finance field for the CIFA graduates.

We look forward to engaging member firms and Kasneb to be part of the programme in order to nurture and enhance the skills of the young professionals. We hope that the programme will be launched before the end of 2021 as we envision the support of the member firms and Kasneb.

I believe that the partnership with Kasneb is increasingly more solid than before as we continue

to enhance our collaboration for the benefit of the investment and finance profession.

B) CAPITAL MARKETS AUTHORITY (CMA)

As you are aware, the Institute entered into a formal Memorandum of Understanding with the Capital Markets Authority (CMA) in the year 2019 whose main aim was to enhance the development of a professional talent pool among capital market practitioners and Investment and Financial Analysts to exploit existing synergies between the Securities Industry Certification Programme and the Certified Investment and Financial Analysts.

We are grateful to the CMA Chief Executive, Mr. Wycliffe Shamiah, for his support during the year in enabling the areas of collaboration between the two organisations during the year 2020. We also recognize his support by partnering with the Institute during the 3rd Annual Conference.

We are confident that this key partnership will continue to promote the professional development of Investment and Financial Analysts and other capital markets industry players in Kenya under the Securities Industry Certification Programme.

The Institute is also an accredited Capital Markets Continuous Professional Development (CPD) service provider. This means that CPD credits earned from the Institute's programmes fully qualify for the CMA's CPD requirements.

The Institute congratulates the CMA for successfully implementing, with effect from 1 January 2021, the CMA Collective Investment Schemes Guidance whose main aim is to standardize investment performance measurement and presentation by Collective Investment Schemes. We are utterly grateful to the CMA for engaging ICIFA to provide capacity building to the industry practitioners in order to ensure full understanding and compliance of the Guidance.

I am pleased to report that the capacity building sessions were successfully held in May 2021 which received positive feedback from the industry practitioners in terms of the grasp and understanding of the Guidance.

As you are also aware, CMA is represented on the Council and the two statutory Committees of the Institute, the Registration Committee and Disciplinary Committee. Through these structures, CMA brings on board invaluable experiences and insights for which we are most grateful.

C) CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT (CISI)

The Institute continues to explore areas of collaboration with the CISI since the formal partnership entered into in 2019. The partnership is aimed at supporting the enhancement of standards in professionalism and integrity in Kenya's capital markets.

ICIFA members continue to greatly benefit from this partnership which allows both Full and Associate ICIFA members to join the CISI as Full and Associate CISI members respectively without taking any further CISI examinations and are offered a special discount of 25% of the normal CISI membership and annual subscription fees.

ICIFA has increasingly become a globally recognized professional Institute in the investment and finance industry which is a manifestation of the quality of the CIFA examinations. To date, there are 51 joint ICIFA-CISI members of whom 40 are joint ICIFA Full members (CIFA) and CISI Full members (MSCI).

I encourage ICIFA members to take advantage of the joint membership opportunity between ICIFA and the CISI as part of the programme for enhancing professionalism and integrity in the investment and financial industry.

The Institute collaborated with the CISI during the year by holding joint events with a focus on ethics and integrity matters as well as the 3rd Annual Conference held virtually in November 2020. We will continue to enhance the collaboration in line with the MoU in order to enhance professional development of members of both ICIFA and CISI.

D) NAIROBI SECURITIES EXCHANGE (NSE)

The Institute's partnership with the NSE remains strong with joint programmes implemented during the year which were undertaken by some of our members. We are appreciative to the NSE for the support and partnership in our webinars and the 3rd Annual Conference held during the year 2020.

We are planning with the NSE to partner on an online Securities database that will be accessible to members at discounted prices which we believe will aid in the deepening of the Securities market. We envision the implementation of the database before the end of the year 2021.

We will also work towards enhancing our collaboration by promoting investment research in the investment and finance industry and holding more joint programmes going forward. We

appreciate our well established working relation with NSE, which is represented on the Institute's Council and Registration Committee.

E) ASSOCIATION OF PROFESSIONAL SOCIETIES IN EAST AFRICA (APSEA)

The Institute continues to work with the Association of Association of Professional Societies in East Africa (APSEA) to strengthen its capacity in building our professional body fully anchored in ethics and integrity. The Institute is also well represented on the Association's committees for Multi-Sectoral Initiatives against corruption.

F) THE NATIONAL TREASURY

It is with great pleasure to report that during the period July to December 2020, the Institute received funding of Kshs. 10 million, which was a partial funding of the Kshs. 20 million that was allocated to the Institute for the year 2020/2021. Indeed, this funding has contributed to the resilience of the Institute which resulted in a significant improvement of the Institute's financial performance over the previous year.

The funding will aid in ensuring the Institute fulfils its mandate with a special focus on the following areas:

- Promote standards of professional competence and investment performance reporting standards
- Effective administration of Continuous Professional Development Programmes
- Promote ethics and integrity amongst investment and finance professionals

In addition to the funding, the National Treasury supported the Institute through sponsorship of our Continuous Professional Development events. We are truly grateful to the National Treasury for the unwavering support which will enable the Institute to focus on the implementation of its mandate in accordance with the Investment and Financial Analysts Act.

The National Treasury is also well represented on our Council, the Registration Committee and Disciplinary Committee.

G) PUBLIC SECTOR ACCOUNTING STANDARDS BOARD (PSASB)

The partnership between the Institute and PSASB was maintained during the year based on

collaboration of the CPD programmes. The Institute will engage more with PSASB in promoting investment performance reporting standards in the industry. I believe the formal partnership entered into in 2018 is very beneficial to the Institute through its support for the Institute's programmes.

H) ASSOCIATION OF CERTIFIED INTERNATIONAL INVESTMENT ANALYSTS (ACIIA)

We also recognize our affiliation with the Association of Certified International Investment Analysts (ACIIA) and add that the Institute has examination exemption arrangements with ACIIA for CIFA graduates who may wish to undertake two papers and qualify as CIIA. We witnessed a decline in the number of registrations for the CIIA examination in the year 2020 due to the Covid-19 pandemic disruption.

I) BUSINESS ADVOCACY FUND (BAF)

It is regretful to report that in June 2020, BAF formally closed ending all BAF funded activities. The Institute wishes to express its deep appreciation to BAF for the support during the year and since inception having being a committed partner of the Institute.

The BAF team specifically, Kariuki Waweru, Clive Davis and Zipporah Maina worked closely with the ICIFA Council and Secretariat to ensure proper internal systems and capacity are in place for the sustainability of the Institute.

While we are sad of the closure of BAF, we congratulate BAF for the milestones achieved in its tenure of 15 years. We wish the BAF team all the very best in their future endeavours and we hope that there will be engagements with the team in their new roles in future.

J) AFRICAN SECURITIES EXCHANGES ASSOCIATION (ASEA)

The Institute is an Associate Member of the Africa Securities Exchanges Association (ASEA) and is the only professional body in Africa alongside the CISI and the CFA Institute in the same category. This posits that the Institute is indeed a global professional body. Members will benefit from the partnership through knowledge transfer and information sharing with other investment and finance professionals in other countries.

K) FUND MANAGERS ASSOCIATION (FMA)

I am glad to report that the Institute has entered into a formal Memorandum of Understanding with the FMA. This is another great milestone that will be of immense benefit to the investment and finance industry through collaborations in CPD programmes, professional standards, and mentorship and job opportunities for CIFA graduates.

We will work towards ensuring the effective implementation of the areas of collaboration and we look forward to an enhanced working relationship with the FMA.

L) INSTITUTE OF HUMAN RESOURCES MANAGEMENT (IHRM)

In 2020, the Institute collaborated with the IHRM, currently represented on the Disciplinary Committee, to provide clarity to the HR professionals in ensuring that job recruitment advertisement and similar public communication require ICIFA membership and CIFA qualification with respect to investment and financial analysis related job roles.

A communiqué was circulated to all HR professionals in June 2020 and published in the dailies which saw positive feedback from the HR professionals based on the increase in the investment and finance related job advertisements that included ICIFA membership and CIFA qualification.

Some of the career opportunities are circulated to the membership on a weekly basis. We are grateful to the IHRM, specifically Irene Kimacia, the former Ag. Executive Director, who was instrumental in making this collaboration possible. A copy of the communiqué is annexed to this annual report for reference.

M) OTHER COLLABORATIVE ARRANGEMENTS

We are currently planning with other organizations such as the Retirement Benefits Authority (RBA), Insurance Regulatory Authority (IRA), Kenya Association of Stockbrokers and Investment Banks (KASIB), and the Konza Technopolis Development Authority among others to explore specific areas of focus for mutual co-operation. I am sure you soon will see developments in the planned collaborative initiatives which we believe will greatly impact the Institute positively.

CPD PROGRAMMES

Due to the Covid-19 pandemic and the suspension of public gatherings, there was a disruption of the CPD programmes in March and April 2020. This necessitated an innovative approach of conducting CPD programmes given that they were previously conducted physically.

I am pleased that the Secretariat with the support of the Membership Services Committee was agile in incorporating online CPD programmes which began in May 2020 through webinars and the launch of the ICIFA training portal in August 2020. Since the switch to online CPD programmes, the Institute has realized tremendous growth in online CPD attendance.

We are grateful to the members for adapting to the changing times and embracing technology in order to enhance their professional skills.

The number of CPD events held during the year were 26 compared to 20 programmes held in 2019 which is an increase despite the suspension of events in March and April 2020. There are five modules in addition to four previous modules and coverage from the 3rd Annual Conference are available on the ICIFA training portal.

We encourage all members to activate their portal accounts in order to access insightful information that will enhance their professional skills. Once again, we recognize the efforts of the Membership Services Committee and the Secretariat for ensuring the successful implementation of the year 2020 CPD calendar of events.

I am also glad to report a few activities that have been automated such as electronic elections, digitization of the accounting processes, online member portals and online booking events. We plan to automate all the other outstanding activities including the new member registration portal, CPD log and the integration of the accounting and membership systems to make our processes more effective and efficient before the end of this year.

Three issues of the “Investment Review” journal which is the Institute’s journal that features articles by members of the Institute to promote professional development and research in the area of investment and finance, were circulated to members in the course of the year. This year we will ensure 4 issues are completed and circulated to members, So far the first quarter issue has been circulated to members. I congratulate the Education and Research Committee for successfully launching the journal.

I also wish to inform the members that the Institute is in the process of concluding registration of the “ICIFA College” with TVETA which will pave the way for tuition of Kasneb professional qualifications with the main focus on CIFA trainings as well as various fields in the investment and finance with other related course offerings. The College will also provide an opportunity to our members to play a role in the growth of the College through its training capacity programmes. Please watch out for exciting developments with regard to the establishment of the College this year.

COMMITTEE STRUCTURE

In the year 2020, I am gratified that Council and Committee meetings continued despite the disruption of the Covid-19 pandemic thanks to technology. Virtual meetings were adopted during the year which enabled the continuity of the dedication and commitment of the Council and Committees in contributing towards the growth of the Institute even without any form of compensation.

However, the Council approved implementation of Council and Committee allowances effective 1 January 2021 which is expected to enhance motivation and service delivery of the Council and Committees as per their respective terms of reference. The Council committees structure remained unchanged in 2020.

The following are the Committees of the Council since July 2020:

1. Governance, Nomination and Remuneration Committee
2. Finance and Strategy Committee
3. Education and Research Committee
4. Membership Services Committee
5. Audit, Risk and Compliance Committee
6. Professional Standards Committee

Members of the Institute are encouraged to offer themselves to serve in these Council committees. The Committees are reconstituted by the Council on an annual basis immediately after AGM and members will be notified to apply accordingly.

MENTORSHIP AND INTERNSHIP ARRANGEMENTS

As earlier mentioned, the Institute is in the process of establishing an Apprenticeship program aimed at creating a mentorship and internship platform for

CIFA graduates. We continue to appeal to the Practising members and registered firms of the Institute, to extend internship opportunities to CIFA graduates for mentorship, training and growth prospects within the industry.

This will greatly enhance acceptance of the CIFA qualification and attainment of the required minimum period of experience of 3 years and 4 years before being eligible for Full membership and Practising status respectively.

FINANCIAL PERFORMANCE

At an income of Kshs 21.7 million in 2020, the Institute recorded a 69% increase, up from Kshs. 12.8 million in 2019. We are indeed delighted that the Institute made a surplus of Kshs 5.4 million, a significant turnaround from the deficit of Kshs 6.8 million in 2019, primarily due to the Government grant of Kshs. 10 million received in 2020 which cushioned the Institute from negative shocks.

There were also efforts to cut on operational costs in 2020. There was further enhancement of provisioning for impairment in compliance with IFRS 9 requirements. Once again, I urge members to settle their outstanding annual subscriptions in order to ensure the self-sustainability of the Institute.

ESTABLISHMENT OF BENEVOLENT FUND

As has been mentioned in past AGMs, significant steps have been taken to have in place a benevolent fund for members. In this regard, I am pleased to report that the Council proposes to the members' adoption of a members' mandatory benevolent fund effective 1 January 2022 to be administered by Enwealth Insurance brokers and APA Life Assurance with the following cover benefits:

COVER OPTION	BENEFITS (KSHS)
Death Benefit	500,000
Permanent Total Disability	500,000
Critical Illness	150,000
Last Expense - Main Member	50,000
Retrenchment Benefit	20,000 per month up to Max of 75,000
Last Expense - Dependents (Max 2 Deaths per Annum)	45,000
Annual Subscription fees	1,750

OTHER OPTIONS

Other cover options are available with higher benefits from Kshs. 1,000,000 therefore a higher annual subscription and members are requested to make additional voluntary contributions if interested in the other cover options.

The Secretariat is available to provide more information about the other cover options. We believe that this is a significant milestone in enhancing value add to our members and we hope members will be in support of the proposed implementation of the benevolent fund considering the level premium payable.

ESTABLISHMENT OF AN INVESTMENT GROUP

The Institute is in the process of establishing an investment group which is envisioned to be additional member benefit as guided by the member needs assessment survey conducted in 2019 and 2020 where members indicated their preference of an investment group.

The structure of the investment group will be communicated to members in due course. We request for members support of the proposed investment group as we plan to provide more information about it upon Council's approval.

AMENDMENTS TO THE INVESTMENT AND FINANCIAL ANALYSTS ACT NO. 13 OF 2015

As was communicated to members in January this year, I am pleased to remind members of the Investment and Financial Analysts Act, No. 13 of 2015 (IFA Act) Amendments in the Statute Law (Miscellaneous Amendments) Act, 2020 enacted on 11 December 2020.

The amendments were specifically with regard to section 18(1)(e), 20, 32 and 34 which we believe were critical in enhancing professionalism in the market and strengthening the Institute. The complete amendments have been included under the public notices section in this Annual report for reference purposes.

THE INSTITUTE'S STRATEGIC PLAN 2021-2025

Before I conclude, I am more than delighted to inform members that the Institute has launched the 2nd strategic plan for the year 2021-2025.

Highlights of the plan include focusing on member development services, building institutional capacity and building market standards and practices. I must congratulate the

Council, Finance and Strategy Committee and Secretariat for working relentlessly to ensure the development of a robust strategic plan that is expected to stand the test of time in the next five years.

APPRECIATION

In conclusion, I am most grateful to members of the Council and its committees and all members of the Institute for the support rendered to the growth and development of the Institute since the beginning of my tenure in 2019.

The Secretariat, led by the CEO, continues to do an exceptional job in delivering value to the members of the Institute more efficiently and effectively especially during the Covid-19 challenges.

Given that this is the end of my term, I appreciate the relentless support of our partners and stakeholders. I especially appreciate the great support I have received from the members since allowing me to serve as your Chairman.

I truly appreciate the Council members' support throughout my tenure. They indeed exhibit a lot of support and professionalism to realise the vision of the Institute. I cannot forget to express my gratitude

to the past Chairmen who set a great precedent and laid a solid foundation which has made it easier for me to continue steering the Institute to colossal heights.

Without any doubt in my mind and considering the various on-going developments, I believe that the Institute is speedily getting closer towards achieving its vision. I am confident that the incoming Chairman will steer the Institute to even greater heights and the Council members and myself will grant him all the support he requires during his tenure.

Thank you and God bless you all.



FFA Dr. Jonah Aiyabei, PhD

CHAIRMAN

17 May 2021

COUNCIL MEMBERS



FFA Dr. Jonah Aiyabei, PhD, Chairman

FFA Dr. Jonah Aiyabei, PhD is the Chairman of the Institute of Certified Investment and Financial Analysts. He is also the Director of Morendat Institute of Oil and Gas (MIOG), Kenya Pipeline Company (KPC), having been the Trust Secretary of KPC Pension Schemes. Prior to joining KPC, He was a lecturer at Catholic University of Eastern Africa. He has taught Finance and Strategic Management in various universities in Kenya. He serves as a Council member of Mount Kenya University and a member of

kasneb Technical Examination Committee. Dr. Aiyabei has over 16 years of experience as a trainer in Finance and Investment.

He has a PhD in Business Administration from JKUAT and an MBA from Kenyatta University. He is a Fellow of the Institute of Certified Investment and Financial Investment Analyst (FCIFA). He also served as the Vice Chairman of the Institute of Certified Investment and Financial Analysts (ICIFA) from June 2016 to June 2019.



FA Einstein Kihanda, Vice Chairman

FA Einstein Kihanda is currently the ICIFA Vice Chairman and the Chief Executive Officer of ICEA LION Asset Management (ILAM). He has more than 20 years of experience in investment analysis and management, developing a diverse range of technical and leadership skills within the investment industry. The pillars of his career have been professionalism, integrity, ethics, dedication, diligence, commitment and consistent focus on the client.

FA Kihanda holds an MSc Finance from the University of Strathclyde, Scotland and MSc Management and Organizational Development from USIU. He currently serves as Chairman, Stakeholders Committee of the Fund Managers Association (FMA) and a member of the Trade, Technology and Innovations Committee of the Nairobi Securities Exchange (NSE). He is also a Certified Investment and Financial Analysts (CIFA) and also serves as the Chairman of the Professional Standards Committee of ICIFA.



CPA Judith Nyakawa, Council member representing the Cabinet Secretary National Treasury & Planning

CPA Judith A. M Nyakawa, an alumna of the UON, Daystar and USIU-A, is the Senior Deputy Director, Finance, at the Pensions Department the National Treasury & Planning. She is a Public Financial Management Expert with wide ranging experience across the Public Sector. As part of her brief, she has coordinated various projects funded by Development Finance Institutions including the African Development Bank, EU, DFID,

JICA, and the World Bank. She represents the Cabinet Secretary in the ICIFA Council. She is married to Elder John and are the blessed parents of 3 sons and guardian to many other young men and women in various educational institutions. She is a member of the Seventh Day Adventist Church, Karengata. She sits on other boards in both her official and private capacities. She is a member of ICPAK and ICS. In her free time, she likes reading and teaching and mentoring young people.

COUNCIL MEMBERS



FA Dr. Nicholas Letting', PhD, EBS.

FA Dr. Letting', PhD, EBS, is the current kasneb Secretary/Chief Executive Officer. He was the immediate past Vice – Chancellor/Chief Executive Officer (CEO) of the Management University of Africa (MUA). A respected academician/scholar – industry captain/practitioner, committed professional, facilitator in conferences, a well-trained corporate governance trainer accredited by IFC, astute administrator, investments and financial analyst and transformative leader with over 20 years of work experience. He started

his career in 1992 as an untrained high school teacher. His formal employment started in 1998 with BAT Kenya where he worked for over 8 years in Leaf Operations, Finance, Human Resources and Administration.

He later joined the Kenya Institute of Management (KIM) in 2006 where he served for over five (5) years as deputy Executive Director/CEO in charge of Company of the Year Awards (COYA), capacity building, training, consultancy, membership, SME and Media services up to September 2011. He is a Fellow Certified Public Accountant (FCPA), Fellow Certified Secretaries (FCS), Fellow of Kenya Institute of Management and also a member of the Institute of Certified Investment and Financial Analyst (ICIFA), the Institute of Directors (IoD) and the Institute of Human Resource Management (IHRM). He has also worked with BAT Kenya and the Kenya Institute of Management (FKIM).

He has been Chairman of the Institute of Certified Secretaries and is Chairman of Karura Adventist School. He served as Council member and the Chairman of Finance, Strategy and General Purposes Committee at the then Kenya Institute of Education (now Kenya Institute of Curriculum Development) and is serving as a member of the National Commission for Science Technology and Innovations (NACOSTI). He is a member of the Institute of Certified Investment and Financial Analysts (ICIFA).

FA Edwin Njamura (representing Capital Markets Authority)



FA Edwin Njamura is Director, Corporate Services at the Capital Markets Authority with responsibility for Financial, Human Capital & Administration and Information Technology operations of the Authority. Edwin joined the Authority in July 2012. Before joining the Authority Edwin had a distinguished career in private sector.

He worked briefly as Chief Finance Officer at an Aureos Fund Investee, Chief Finance Officer of Deloitte Eastern Africa and Finance Manager of Deloitte Africa Board. He previously worked with Lonrho, as Group Chief Accountant (Head of Finance) at Express Kenya and then Group Financial Controller in Lonrho Motors Uganda. Edwin chairs the Audit, Risk and Compliance Committee of ICIFA and is also a member of the Institute of Certified Public Accountants of Kenya.

FA Geoffrey Odundo (representing the Nairobi Securities Exchange)



FA Geoffrey Odundo is the Chief Executive Officer of the Nairobi Securities Exchange Limited. He is an accomplished investment banker and has been in the financial service sector for over 25 years, 20 of which has been in the Capital Markets in various senior roles in asset management, corporate finance and securities trading. He was previously the Managing Director and Chief Executive Officer of Kingdom Securities Limited. He was instrumental in setting up Co-op Trust Investment Service, Co-op Consultancy Services

Limited and Kingdom Securities Limited. He has contributed to the growth of Capital Market in his previous role at the Kenya Association of Stockbrokers and Investment Banks among others. He holds a Master's Degree in Strategic Management from United States International University (USIU) and an Undergraduate Degree in Mathematics and Economics from Egerton University. He is a member of the Institute of Certified Investment and Financial Analyst (ICIFA).

COUNCIL MEMBERS



FA Catherine Theuri



FA Catherine Theuri is an experienced financial professional, a trainer and a consultant. She has held various financial positions in both service and manufacturing industries and has over 15 years' experience in Corporate Finance, Financial Accounting, Treasury, Corporate Tax, budgets, Strategy and Financial Modelling. Currently she is the Corporate Financial Accountant at Bamburi Cement Ltd (a member of LafargeHolcim) a role under which she has been able to contribute immensely to the

organization on matters budgeting, forecasts, strategy, trade finance, treasury, credit control and reporting. Other Organizations she has worked for include Unga Holdings Ltd, Khalid and Company, and Star College of Management Studies. She is the Chairperson of the Finance, Strategy and Administration Committee of the Institute of Certified Investment and Financial Analysts (ICIFA).

FA Catherine Theuri is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and a member of the Institute of Certified Investment and Financial Analysts (ICIFA). She has a Bachelor's degree in Education (Accounting and Economics) from the University of Nairobi and she is currently pursuing MBA (Finance) at Kenyatta University.

FA. Dr. Duncan Elly Ochieng', PhD



FA. Dr. Duncan Elly Ochieng' is a Lecturer at the University of Nairobi, School of Business, Department of Finance and Accounting. He has research interests in Public Finance, Development Finance, Investments and Financial Assets Analysis, Financial Management, Multinational Finance, Corporate Finance, Entrepreneurial Finance among others. He holds a PhD in Business Administration, an MBA and B.Com, all from the University of Nairobi.

He has several publications in peer reviewed journals and has supervised several Masters and PhD candidates to graduation. He has served as an SME relationship manager with the roles of relationship creation, portfolio development and monitoring in leading commercial banks in Kenya. He is a Certified Investment and Financial Analysts (CIFA) and a Certified Public Accountant (CPA). He has been a Council member of the Institute of Certified Investment and Financial Analysts (ICIFA) since 2016 and is the Chairman of the Education and Research Committee of Institute.

FA Leah Nyambura-Kagumba



FA Leah Nyambura is the Director, Corporate Finance at Dyer & Blair Investment Bank and has over 13 years of experience in research and financial advisory. She has been instrumental in working with the Equities and Fixed Income teams, developing client portfolios of local and foreign retail and institutional clients. She has also been actively involved in the execution of several key transaction advisory.

She has an MSc in Finance and a Bachelor of Arts in Education (Economics and Business Studies) both from Kenyatta University. She is a Certified Investment and Financial Analyst (CIFA). She has been a Council member of the Institute of Certified Investment and Financial Analysts (ICIFA) since 2016 and serves as a member of the Membership Services Committee of the Institute.

COUNCIL MEMBERS



FA Margaret Kibera



FA Margaret has twenty years' experience in the finance industry, particularly banking at African banking, investments at Kianda, manufacturing, education, Transportation at Kenya railways in financial analysis and accounting. She is a lecturer of finance and investment programmes at JKUAT, TVETA institutions, Royal business school, Regional school of management, Star College and Kenya College of excellence and is also as a private trainer. She has trained in fixed income instruments on consultancy basis and consultancy with kasneb. She is also a monitor and evaluator of TVET institutions. She is also an ICIFA trainer under NITA. She is a full

member of the Institute and member of the Education and Research Committee, and Professional standards committee at ICIFA. She has developed various educational content for ICIFA, plus contribution to the ICIFA Journal.

She is a board member and vice chair of St. Augustine secondary school, serving as the chair of finance committee and vice chair in the education committee. She sits in the finance committee of our lady of Divine Providence Catholic Church, which has championed major development projects and she is the organizing secretary of the Nairobi development group. She is a member of the Association of Women Accountants of Kenya (AWAK) and serves in the Member Service Committee. She has been a tutor and a mentor also at Kianda School. She is currently a PhD student in Finance at JKUAT, She holds an MSc in finance from (JKUAT), Bachelor of Commerce in Finance from The University of Nairobi. A Certified Investment and Financial Analyst (CIFA) from Star College and A Certified Public Accountant (CPA) from Strathmore University. A certificate in Ethics and Leadership from Kianda Foundation.

She was commended by the ICIFA Council for the exceptional contribution to the growth of ICIFA and the profession, at the 1st Fellowship and Commendation award ceremony held on 8th January 2021.

FA Anthony Mwithiga



FA Anthony Mwithiga is an investment management professional with 20 years experience in managing investment portfolios of pension schemes, insurance companies, unit trust funds, sovereign wealth funds and High Networth Individuals across East Africa. He is the Chief Executive Officer at Absa Asset Management Limited. He previously served as Chief Investment Officer at CBA, General Manager - Investments at UAP-Old Mutual and Chief Investment Officer at Stanlib.

He is a full member of ICIFA and holds a Bachelor's degree in Mathematics & Economics from Kenyatta University and an MBA in Finance from the University of Nairobi plus Diploma in Banking from the Kenya School of Monetary Studies. He is also a Certified Coach and a Leadership Graduate of the University of Pretoria, Strathmore Business Schools and Nanyang Technical University, Singapore. He is also a Non-Executive Director of Invest-In-Africa and an Investment Training Consultant for the East and Central Africa Association of Social Security Associations (ECASSA). He is also a Council Member of the Fund Managers Association (FMA) and Chairman of FMA's Public Markets Committee.

FA Diana Muriuki-Maina, CEO & Secretary to the Council, ICIFA



FA Diana is the Chief Executive Officer and Secretary to the Council of the Institute of Certified Investment and Financial Analysts (ICIFA) since 2018. She has over 12 years' of experience in the financial services industry. She most previously served as a Senior Manager, Investments at Actuarial Services (EA) Limited where she excelled in previous Investment Specialist/Consultant and Analyst assignments.

During her tenure at Actuarial Services (EA) Limited she was instrumental in establishing processes and business relationships that enhanced business development. She has also served as Investment Officer and Head of Member Services at Arima Fund Limited. She has a deep understanding and knowledge of the

investment industry having provided investment advisory services to numerous pension schemes in Kenya.

She is a full member of ICIFA and also a member of the Chartered Institute of Securities and Investments, UK. She holds a Master of Science in Finance and Bachelors in Economics and Statistics both from University of Nairobi and a Graduate diploma in Actuarial Science.

She is a recipient of the top 40 under 40 women award in the year 2019 by the Business Daily Africa which is an award that recognizes the most influential and progressive women in corporate Kenya. She was also commended by the ICIFA Council at the 1st Fellowship and Commendation award ceremony held in January 2021 for outstanding contribution to the growth of ICIFA and the profession.

STATUTORY COMMITTEE CHAIRMEN



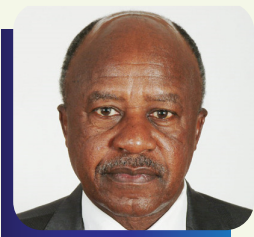
FFA Lazarus Kimang'a, MBS Registration Committee Chairman

FFA Lazarus Kimang'a, MBS, is a former Chairman of the Institute. He has been General Manager and Company Secretary of East Africa Re, and is Company Secretary of WAICA Re (Kenya). He holds a Master of Commerce (MCOM) in International Business Management from Strathmore University and a Master of Business Administration (MBA) in Finance from the University of Nairobi, and also trained in Finance at Templeton College, University of Oxford. He is a Fellow of the Institute of Certified Public Accountants of Kenya (FCPA), a Fellow of the Institute of Certified Secretaries (FCS), and a Fellow of the Institute of Certified Investment and Financial Analysts (FCIFA).

He has held relevant senior management positions in the financial sector for about 30 years. The Institute of Certified Public Accountants of Kenya awarded him the Institute Prize in recognition of best overall performance in CPA III (Sections 5 and 6) exams at his last sitting. Special performance and recognition relates to the exemplary record he achieved while at East Africa Re when both the External Auditors (Deloitte) and the independent Internal Auditors gave their independent reports confirming that there was no audit issue at all to report, and also won many top annual awards in Financial Reporting and Governance.

FFA Lazarus has played major roles in the financial sector. In the insurance industry in the region, he has served as Secretary General of the Organisation of Eastern and Southern Africa Insurers (OESAI), and also as a Board member of the College of Insurance, Nairobi. As General Manager and Company Secretary of East Africa Re, he deputized for the Chief Executive Officer and was Chairman of the Management Committee (MANCO). In the banking industry, he served as a non-executive director on the Board of K-Rep Bank and was Chairman of Board Audit Committee. At the Public Sector Accounting Standards Board (PSASB), he has served as a Board member and as Chairman of the Governance and Strategy Committee.

He is the Vice Chairman of St John Ambulance Kenya and a Board member of Interpeace Eastern and Central Africa, an arm of Interpeace International Organization for Peacebuilding, Geneva.



FFA Nguru Wachira Disciplinary Committee Chairman

FFA Nguru Wachira is Chairman of Disciplinary Committee of the Institute. He is a management practitioner, consultant and trainer. He is a qualified Accountant, Chartered Secretary and Stockbroker. He has extensive corporate finance, finance management and consulting experience spanning over 35 years. He is Chairman and founder of the Unlimited Profit Opportunity (UPO) Limited.

He is also a founder and CEO of WIA East Africa Limited. He is a past Chairman the Institute of Certified Investment and Financial Analyst (ICIFA), a past chairman of the Institute of Certified Public Accountants of Kenya and past member of the Council for the East, Central and South Africa Federation of Accountants. He has headed teams of International Consultancy experts in East and Central Africa region on assignments commissioned by the World Bank, DFID, Commonwealth Development Corporation and the European Investment Bank. He is a Fellow of the Institute of Certified Investment and Financial Analysts. (FCIFA).

COUNCIL AND STATUTORY COMMITTEES



1. COUNCIL

The Council consists of Eleven (11) members whose membership is in accordance with the Investment and Financial Analysts Act (No. 13 of 2015) as follows:

NAME	POSITION	W.E.F.
FFA Dr. Jonah Aiyabei, PhD	Chairman	28-June-2019
FA Einstein Kihanda	Vice Chairman	2-July-2019
CPA Judith Nyakawa	Member Representing National Treasury and Planning	Reappointed 26-June-2020
FA Dr. Nicholas Letting', PhD, EBS	Member Representing Kasneb	28-June-2019
FA Edwin Njamura	Member Representing Capital Markets Authority (CMA)	Reappointed 28-June-2019
FA Geoffrey Odundo	Member Representing Nairobi Securities Exchange (NSE)	Reappointed 2-July-2019
FA Leah Nyambura	Member	Re-elected 28-June-2019
FA Catherine Theuri	Member	Re-elected 28-June-2019
FA Dr. Duncan Elly Ochieng, PhD	Member	Re-elected 28-June-2019
FA Anthony Mwithiga	Member	26-June-2020
FA Margaret Kibera	Member	26-June-2020
FA Diana Muriuki - Maina	Secretary	1-November-2018

2. REGISTRATION COMMITTEE

The Registration Committee is a statutory committee established pursuant to section 13 of the Investment and Financial Analysts Act (No. 13 of 2015) and consists of Eight (8) members in accordance with the Act as follows:

NAME	POSITION	W.E.F.
FFA Lazarus Kimang'a, MBS	Chairman	Reappointed 2-July-2019
FFA Dr. George Wakah, PhD	Member	30-June-2020
FA Emlyn Ngwiri	Member	Reappointed 2-July-2019
FA Joseph Ndungu	Member Representing Kasneb	Reappointed 2-July-2019
FA Nyale Yanga	Member Representing Capital Markets Authority (CMA)	15-February-2019
Dr. Indeje Wanyama, PhD	Member Representing National Treasury and Planning	7-June-2018
CS Kuria Waithaka	Member Representing Nairobi Securities Exchange (NSE)	Reappointed 2-July-2019
FA John Kirimi	Member Representing Kenya Association of Stockbrokers and Investment Banks (KASIB)	2-July-2019
FA Diana Muriuki - Maina	Secretary	1-Nov-2018

3. DISCIPLINARY COMMITTEE

The Disciplinary Committee is a statutory committee established pursuant to section 27 of the Investment and Financial Analyst Act (No. 13 of 2015) and consists of eight (8) members in accordance with the Act as follows:

NAME	POSITION	W.E.F.
FFA Nguru Wachira	Chairman	Reappointed 2-July-2019
FFA Job Kihumba	Member	30-June-2020
FA Elizabeth Mwai	Member	Reappointed 2-July-2019
Ms. Brenda Odiembo	Member Representing Attorney General	30-July-2020
FA Abubakar Hassan	Member Representing Capital Markets Authority (CMA)	Reappointed 2-July-2019
FA Dr. Stephen Ikikii, PhD	Member Representing National Treasury and Planning	7-June-2018
FHRM Odhiambo Ooko	Member Representing Institute of Human Resource and Management (IHRM)	7-June-2018
FA Obare Nyaega	Member Representing Institute of Certified Secretaries (ICS)	22-July-2019
FA Diana Muriuki-Maina	Secretary	1-Nov-2018

COUNCIL AND COMMITTEES MEETINGS ATTENDANCE



A summary of attendance at Council and Committee meetings in 2020 is given below.

COUNCIL

The Council consists of Eleven (11) members whose membership is in accordance with the Investment and Financial Analysts Act (No.13 of 2015) as follows:

COUNCIL MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FFA Dr. Jonah Aiyabei, PhD	Chairman	28-Jun-2019	11/11	100%
FA Einstein Kihanda	Vice Chairman	02-Jul-2019	7/11	64%
CPA Judith Nyakawa	Member Representing National Treasury and Planning	Reappointed 26-June-2020	9/11	82%
FA Dr. Nicholas Letting', PhD	Member Representing Kasneb	28-Jun-2019	9/11	82%
FA Edwin Njamura	Member Representing Capital Markets Authority (CMA)	Re-appointed 28-Jun-2019	11/11	100%
FA Geoffrey Odundo	Member Representing Nairobi Securities Exchange (NSE)	Re-appointed 28-Jun-2019	6/11	55%
FA Leah Nyambura	Member	Re-elected 29-Jun-2018	11/11	100%
FA Catherine Theuri	Member	Re-elected 28-Jun-2019	11/11	100%
FA Dr. Duncan Elly Ochieng, PhD	Member	Re-elected 28-Jun-2019	6/11	55%
FA Anthony Mwithiga	Member	Re-elected 28-June-2019	4/4	100%
FA Margaret Kibera	Member	26-Jun-2020	4/4	100%
FA Diana Muriuki - Maina	Secretary	01-Nov-2018	11/11	100%

ATTENDANCE BY INVITATION

FFA Lazarus Kimang'a	Chairman Registration Committee	02-Jul-2019	9/9	100%
FFA Job Kihumba	Immediate Former Chairman	02-Jul-2019	9/9	100%
FFA Nguru Wachira	Chairman Disciplinary Committee	02-Jul-2019	2/2	100%

The Council held 11 meetings in 2020 (2019: 10)

REGISTRATION COMMITTEE

The Registration Committee receives, deliberates and approves applications for registration as Investment Financial Analysts and grants practising certificates in accordance with the provision of the Investment and Financial Analysts Act.

REGISTRATION COMMITTEE MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FFA Lazarus Kimang'a	Chairman	28-Jun-2019	8/8	100%
FFA Dr. George Wakah	Member	02-Jul-2019	4/8	50%
FA Emlyn Ngwiri	Member	Reappointed 2-July-2019	7/8	88%
FA Joseph Ndungu	Member Representing Kasneb	Reappointed 2-July-2019	8/8	100%
FA Nyale Yanga	Member Representing Capital Markets Authority (CMA)	15-Feb-2019	6/8	75%
Dr. Indeje Wanyama	Member Representing National Treasury and Planning	07-Jun-2018	7/8	88%
CS Kuria Waithaka	Member Representing Nairobi Securities Exchange (NSE)	Reappointed 2-July-2019	7/8	88%
FA John Kirimi	Member Representing Kenya Association of Stockbrokers and Investment Banks (KASIB)	02-Jul-2019	8/8	100%
FA Diana Muriuki-Maina	Secretary	01-Nov-2018	8/8	100%

The Registration Committee held 8 meetings in 2019 (2018 : 5).

DISCIPLINARY COMMITTEE

The role of the Disiplinary Committttee is to handle disciplinary matters in accordance with the Investment and Financial Analysts Act (No. 13 of 2015).

DISCIPLINARY COMMITTEE MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FFA Nguru Wachira	Chairman	28-Jun-2019	2/2	100%
FFA Job Kihumba	Member	02-Jul-2019	2/2	100%
FA Elizabeth Mwai	Member	Reappointed 2-July-2019	2/2	100%
Ms. Brenda Odiembo	Member Representing Attorney General	Reappointed 2-July-2019	-	-
FA Abubakar Hassan	Member Representing Capital Markets Authority (CMA)	15-Feb-2019	2/2	100%
FA Dr. Stephen Ikiiki	Member Representing National Treasury and Planning	07-Jun-2018	2/2	100%
FHRM Odhiambo Ooko	Member Representing Institute of Human Resource and Management (IHRM)	Reappointed 2-July-2019	2/2	100%
FA Obare Nyaega	Member Representing Institute of Certified Secretaries (ICS)	02-Jul-2019	2/2	100%
FA Diana Muriuki-Maina	Secretary	01-Nov-2018	2/2	100%

The Disciplinary Committee held 2 meetings in 2020 (2019: 6).

GOVERNANCE, NOMINATION AND REMUNERATION (GNR) COMMITTEE

MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FFA Job Kihumba	Chairman	02-Jul-2019	7/7	100%
FFA Dr. Jonah Aiyabei	Member/Council Member	03-Oct-2017	7/7	100%
FA Dr. Nicholas Letting'	Member/Council Member	02-Jul-2019	4/7	57%
CPA Judith Nyakawa	Member/Council Member	03-Oct-2017	3/7	43%
FA Catherine Theuri	Member/Council Member	03-Oct-2017	5/7	71%
FFA Lazarus Kimang'a	Member	03-Oct-2017	7/7	100%
FFA Dr. George Wakah	Member	03-Oct-2017	5/7	71%
FA Edwin Njamura	Member/Council Member	30-Jun-2020	1/2	50%
FA Diana Muriuki-Maina	Secretary	01-Nov-2018	7/7	100%

The Governance, Nomination and Remuneration Committee held 7 meetings in 2020 (2019: 5).

FINANCE AND STRATEGY COMMITTEE

MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Edwin Njamura	Chairman/Council Member	30-Jul-2020	3/4	75%
FA Charity Muya	Member	30-Jul-2020	4/4	100%
FA Evans Moturi	Member	22-Jul-2019	7/7	100%
FA Rhoda Kiilu	Member	30-Jul-2020	-	-
FA Paul Kamau	Member	30-Jul-2020	4/4	100%
FA William Irari	Member	30-Jul-2020	4/4	100%
FA Janet Waweru	Member	22-Jul-2019	7/7	100%
FA Denis Nyamweya	Member	03-Oct-2017	-	-

The Finance and Strategy Committee held 7 meetings in 2020 (2019: 6)

AUDIT, RISK AND COMPLIANCE COMMITTEE

MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Catherine Theuri	Chairperson/Council Member	30-Jul-2020	1/1	100%
FA Isaac Ogutu	Member	30-Jul-2020	1/1	100%
FA Teresia Mburu	Member	03-Oct-2017	3/3	100%
FA Dr. Joshua Aroni	Member	03-Oct-2017	3/3	100%
FA Ken Kibet	Member	30-Jul-2020	1/1	100%
FA Moses Macharia	Member	30-Jul-2020	1/1	100%
FA Ernest Muriu	Member	30-Jul-2020	1/1	100%
FA Daniel Nzioki	Member	30-Jul-2020	1/1	100%

The Audit, Risk and Compliance Committee held 3 meetings in 2020 (2019: 3).

MEMBERSHIP SERVICES COMMITTEE MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Leah Nyambura	Chairperson/Council Member	19-Jul-2018	6/6	100%
FA Terrence Adembesa	Member	03-Oct-2017	5/6	83%
FA Joseph Kipronoh	Member	03-Oct-2017	3/6	50%
FA Vincent Kio	Member	22-Jul-2019	4/6	67%
FA Kenneth Kaniu	Member	30-Jul-2020	1/4	25%
FA Paul Wachiuri	Member	30-Jul-2020	4/4	100%
FA Justus Maina	Member	30-Jul-2020	4/4	100%
FA Gregory Siro	Member	30-Jul-2020	3/4	75%

The Membership Services Committee held 6 meetings in 2020 (2019: 4).

PROFESSIONAL STANDARDS COMMITTEE MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Einstein Kihanda	Chairman/Council Member	22-Jul-2019	2/2	100%
FA Anthony Mwithiga	Member/Council Member	30-Jul-2020	1/1	100%
FA Margaret Kibera	Member/Council Member	30-Jul-2020	1/1	100%
FA Dr. Nicholas Letting'	Member/Council Member	30-Jul-2020	-	-
FA Peter Onyango	Member	30-Jul-2020	2/2	100%
FA Tabby Goko	Member	30-Jul-2020	1/1	100%
FA Rosemary Kanyoro	Member	30-Jul-2020	-	-
FA Eliud Migwi	Member	30-Jul-2020	1/1	100%
FA Elvis Rogito	Member	30-Jul-2020	1/2	50%
FA Anne Karimi	Member	30-Jul-2020	1/1	100%
Ms. Loise Wangui	Member Representing Nairobi Securities Exchange (NSE)	30-Jul-2020	1/1	100%

The Professional Standards Committee held 2 meetings in 2020 (2019: 2).

EDUCATION AND RESEARCH COMMITTEE MEETINGS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Dr. Duncan Elly Ochieng'	Chairman/Council Member	03-Oct-2017	4/4	100%
FA Isaac Njuguna	Member	03-Oct-2017	4/4	100%
FA Margaret Kibera	Member/Council Member	30-Jul-2020	4/4	100%
FA Geoffrey Injeni	Member	30-Jul-2020	2/2	100%
FA Dr. Robert Karungu	Member	22-Jul-2019	3/4	75%
FA Jackline Onyango	Member	30-Jul-2020	2/2	100%
FA Peter Anderson	Member	22-Jul-2019	3/4	75%
FA Erick Kyalo	Member	03-Oct-2017	2/2	100%

The Education and Research Committee held 4 meetings in 2020 (2019: 4).

ICIFA COLLEGE BOARD OF DIRECTORS ATTENDANCE 2020

NAME	POSITION	W.E.F.	MEETINGS ATTENDED	
			NO	%
FA Leah Nyambura	Chairperson	06-Feb-2020	2/2	100%
FFA Dr. George Wakah	Member	06-Feb-2020	2/2	100%
FA Edwin Njamura	Member	06-Feb-2020	2/2	100%
FA Catherine Theuri	Member	06-Feb-2020	2/2	100%
FA Dr. Duncan Elly Ochieng'	Member	06-Feb-2020	2/2	100%

The ICIFA College of Directors held 2 meetings in 2020.

REPORT OF THE COUNCIL ON THE FINANCIAL STATEMENTS



For the Year Ended 31 December 2020

1 FINANCIAL STATEMENTS

The Council presents its report and financial statements of the Institute for the year ended 31 December 2020.

2 REGISTRATION

The Institute was created as a body corporate under the Investment and Financial Analysts (IFA) Act effective from 8 December 2015.

3 PRINCIPAL ACTIVITY

The principal activity of the Institute is to register and license certified investment and financial analysts and regulate the investment and financial analysis profession in Kenya and for connected purposes.

4 BUSINESS REVIEW

Key performance indicators for the year ended 31 December 2020 are as tabulated below:

A) KEY PERFORMANCE INDICATORS

	2020	2019
Income (Kshs)	21,713,173	12,858,006
Surplus/(deficit) before tax (Kshs)	5,405,056	(6,895,093)
Taxation (Kshs)	-	-
Surplus/(deficit) after tax (Kshs)	5,405,056	(6,895,093)
Net surplus/(deficit) margin (%) on income	24.89%	(53.62%)
Net assets (Kshs)	5,912,369	584,346

B) MEMBERSHIP

	2020 No.	2019 No.
Members at end of year	902	833
Practicing	264	253
Non-practicing	425	390
Associates	213	190

5 PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the Institute is satisfactory growth of both members and annual subscriptions.

6 COUNCIL MEMBERS

The Council Members who served during the year and to the date of this report are as shown on page 18 of this Report.

7 STATEMENT AS TO DISCLOSURE TO INSTITUTE'S AUDITOR

As regards each Council Member at the time of this report was approved:

- i) There is, so far as the person is aware, no relevant audit information of which the Institute's auditor is unaware; and
- ii) The person has taken all the steps that the person ought to have taken as a Council Member so as to be aware of any relevant audit information and to establish that the Institute's auditor is aware of that information.

8 APPOINTMENT OF AUDITORS

The Auditor General will continue as the Auditor of the Institute due to the significance of public funds expected from the National Treasury. The Auditor General will perform their duties directly or authorize an independent auditor to do so on their behalf. Messrs DK Waweru & Associates, Certified Public Accountants of Kenya, being the authorized auditors of the Institute, have indicated their willingness to continue in office.

By order of the Council



FA Diana Muriuki - Maina
Secretary

17 May 2021

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES



For the Year Ended 31 December 2020

Under the provisions of the Investment and Financial Analysts (IFA) Act, the Council is required to keep all proper books and records of accounts of the income, expenditure and assets of the Institute.

The Council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards for Small and Medium-Sized Entities and in the manner required by the IFA Act.

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 and of its operating results. The Council further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate system of internal financial control.

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.

FFA Dr. Jonah Aiyabei
Chairman

17 May 2021

FA Edwin Njamura
Chairman FS Committee

17 May 2021

FA Diana Muriuki - Maina
Secretary

17 May 2021

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF INSTITUTE OF CERTIFIED INVESTMENT AND FINANCIAL ANALYSTS (ICIFA)



OUR OPINION

We have audited the financial statements of Institute of Certified Investment and Financial Analysts (ICIFA) set out on pages 30 to 40 for the year ended 31 December 2020, which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, together with the explanatory notes, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2020 and of the 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 judgement, 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

REVENUE RECOGNITION

There is an inherent risk of accuracy of revenue recorded in respect of membership fees and annual subscriptions. The risk arises from the fees structure payable by different categories of members and the rebates granted by the Institute during the year. Refer to note 1 (F) on accounting policy on revenue recognition.

HOW OUR AUDIT ADDRESSED KEY AUDIT MATTER

We performed reviews of the revenue invoicing system and its interface with the financial accounting. We also obtained a Register of Members and ensured that the different categories of members are clearly distinguished and the rates applicable to them properly assigned.

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, then, we are required to report that fact. We have nothing to report in this regard.

COUNCIL'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Under the provisions of the Investment and Financial Analysts Act (IFA) Act, the Council is responsible for the preparation of financial statements which give a true and fair view of the Institute's state of affairs and its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the IFA Act and for such internal control as the Council determines 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 intends to wind up the Institute or to cease operations or have no realistic alternative but to do so. The Council is responsible for overseeing the Institute's financial reporting process.

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 International Standards on Auditing (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 skepticism throughout the audit. We also:

- a) 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;
- b) 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 Institute's internal control;

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council;
- d) 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 Institute's 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;
- e) 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;
- f) Obtain appropriate audit evidence regarding the financial information of the entities or business activities within the Institute to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Institute audit. We remain solely responsible for our audit opinion;
- g) 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; and
- h) Provide the Council with a statement that we have complied with relevant ethical requirements regarding independence and 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 the Council, we determine those matters that were of most significance in the audit of the Institute's 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 preclude 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 audit independent auditor's opinion is FCPA David Kinyua Waweru - P/No. 117.



DK WAWERU & ASSOCIATES
Certified Public Accountants of Kenya

Dated: 17 May 2021, Nairobi

Statement of Comprehensive Income



For the Year Ended 31 December 2020

	Notes	2020 Kshs	2019 Kshs
GENERAL FUND (GF)			
Operating income	3a	21,713,173	12,858,006
Administrative costs	3b	(16,104,124)	(19,383,746)
Financial income	5	141,902	-
Net (deficit)/surplus		5,750,951	(6,525,740)
BUSINESS ADVOCACY FUND (BAF)			
Operating income	4	-	744,695
Operating costs	4	(345,895)	(1,114,048)
Net deficit		(345,895)	(369,353)
Total net surplus/(deficit) for the year		5,405,056	(6,895,093)

Statement of Financial Position

For the Year Ended 31 December 2020



	Notes	2020 Kshs	2019 Kshs
ASSETS			
Non-current assets			
Property, plant and equipment	6	2,438,895	2,989,196
Intangible assets	7	420,990	281,812
		2,859,885	3,271,008
Current assets			
Receivables	8	1,746,221	562,228
Corporation tax	8	21,290	-
Bank and cash balances	9	8,471,874	2,242,3180
		10,239,385	2,804,546
Total assets		13,099,270	6,075,554
EQUITY AND LIABILITIES			
Accumulated fund			
		5,912,369	584,346
		5,912,369	584,346
Current Liabilities			
Payables	10	7,186,901	5,491,208
		7,186,901	5,491,208
Total equity and liabilities		13,099,270	6,075,554

The financial statements and explanatory notes shown on pages 30 to 40 were approved by the Council on 17 May 2021 and signed on its behalf by:

FFA Dr. Jonah Aiyabei
Chairman

FA Edwin Njamura
Chairman FS Committee

FA Diana Muriuki - Maina
Secretary

Statement of Changes In Accumulated Fund



For the Year Ended 31 December 2020

	Notes	2020 Kshs	2019 Kshs
As at 1 January		584,346	7,469,477
Prior year adjustments	11	(77,033)	9,962
As restated		507,313	7,479,439
Net (deficit)/surplus for the year		5,405,056	(6,895,093)
As at 31 December		5,912,369	584,346

Statement of Cash Flows



For the Year Ended 31 December 2020

	Notes	2020 Kshs	2019 Kshs
Surplus/(Deficit) for the year before tax		5,405,056	(6,895,093)
Adjustments for:			
Depreciation	6	570,680	538,126
Amortisation	7	109,088	45,453
Financial income	5	(141,902)	-
Prior year adjustment	11	(26,478)	(151,597)
Operating surplus/(deficit) before working capital		5,916,444	(6,463,111)
Changes in working capital			
(Decrease)/Increase in receivables and other receivables		(1,183,993)	2,170,644
Increase in receivables and other payables		1,695,693	3,869,975
Income tax paid		(21,290)	-
Net increase/(decrease) in working capital		490,410	6,040,619
Net cash surplus/(deficit) from operating activities		6,406,854	(422,492)
Investment activities			
Purchase of equipment	6	-	(913,836)
Purchase of computer software	7	(319,200)	(327,265)
Financial income	5	141,902	-
Net cash deficit from investment activities		(177,298)	(1,241,101)
Net Increase/(decrease) in cash & cash equivalents		6,229,556	(1,663,593)
At start of year	9	2,242,318	3,905,911
At end of year	9	8,471,874	2,242,318

Notes to the Financial Statements



For the Year Ended 31 December 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the International Financial Reporting Standards for Small and Medium-Sized Entities.

b) Property and equipment

Depreciation is calculated on the straight-line method to write off the cost of each asset, or its revalued amount, to its residual value over the estimated useful life at the following annual rates

Computer equipment	30.0%
Other office equipment	12.5%
Furniture and fittings	12.5%
Computer software	33.3%

c) Receivables

Receivables are carried at anticipated realizable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at the year-end in line with the requirements of IFRS 9. Bad debts are written off during the year in which they are identified.

d) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held with banks, net of bank overdrafts. In the statement of balance sheet, bank overdrafts are included in borrowing in current liabilities.

e) Tax

The Institute is seeking exemption from income tax under Section 13(2) of the Income Tax Act (Cap. 470)

f) Revenue recognition

Membership fees are recognized as income upon admission as a member, Annual subscription fees are recognized on accrual basis for the registered members. Grants and interest income are recognized upon receipt. Interest income is recognized net of withholding tax.

g) Comparative figures

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

2 SEGMENT INFORMATION

The Institute is not publicly traded and it derived its income from member's subscriptions and grants with no other significant segment information.

3 GENERAL FUND

	Notes	2020 Kshs	2019 Kshs
a) Operating income			
Membership fees		311,000	587,000
Annual subscriptions fees		4,432,000	3,817,170
Subscriptions from practising members		4,017,000	3,745,000
Subventions from KASNEB		378,228	2,599,799
Grant from National Treasury		10,000,000	-
Examination fees	3(d)	-	171,977
Seminars net surplus	3(e)	2,228,379	1,937,060
Miscellaneous income		346,566	-
		21,713,173	12,858,006
b) Operating costs			
Staff costs		7,532,934	7,170,852
Printing and stationery		223,114	348,418
Depreciation		570,680	538,126
Amortisation		109,088	45,453
Bank Charges		40,514	46,549
Audit fees		178,500	181,500
Transport and travel		61,530	119,259
Website design and maintenance		-	150,000
Donations and Awards		95,881	182,710
Advertising and promotions		819,794	1,096,363
Newspapers and periodicals		-	34,160
Telephone and postage		272,573	331,510
Subscriptions		380,842	289,961
Repairs and maintenance		28,445	249,140
AGM and meetings expenses		117,571	283,961
Office rent and service charge		2,729,856	3,412,236
Provision for bad debts		2,303,533	4,672,490
Legal fees		312,800	
Licences		99,162	12,000
Consultancy		104,450	
Office expenses		65,557	32,241
Penalties and Interest		50,000	143,122
Miscellaneous expenses		7,300	43,695
		16,104,124	19,383,746
Operating Surplus/(Deficit)		5,609,049	(6,525,740)

c) Operating costs

In common with previous years, the Institute continued to receive concessions from kasneb by way of rebate/waiver of office rent for the second quarter of 2020 amounting to Ksh 378,228 (2019 - Ksh 2,599,799). The waived rent has been recognised in the accounts as both income, described as subventions under Note 3(a) and also as an expense forming part of office rent and service charge under Note 3(b).

Again in common with previous years, the Institute did not pay any allowance to either the Council or Committee members, who continued to offer free services

	2020 Kshs	2019 Kshs
d) Examination fees		
Fees received	-	185,977
Disbursements	-	(14,000)
	-	171,977
e) Seminar income		
Fees received	3,268,823	9,899,937
Disbursements	(1,040,444)	(7,962,877)
	2,228,379	1,937,060
4 BUSINESS ADVOCACY FUND (BAF) ACTIVITIES		
Operating income		
Grant	-	744,695
	-	744,695
Operating costs		
Advertising and promotions	267,665	-
Advertising and promotions	-	77,894
Advocacy - Consultancy	-	210,000
- Workshops and conferences	71,150	813,494
Bank Charges	7,080	12,660
	345,895	1,114,048
Net deficit	(345,895)	(369,353)
5 INTEREST INCOME		
Interest income	141,902	-
Miscellaneous Income	-	-
	141,902	-

6 EQUIPMENT AND FURNITURE

	Computer equipment Kshs	Office equipment Kshs	Furniture & Fittings Kshs	Total Kshs
Year ended 31 December 2019				
Cost/valuation				
At 1 January 2019	566,751	17,959	2,229,706	2,814,416
Additions	88,050	219,095	606,691	913,836
At 31 December 2019	654,801	237,054	2,836,397	3,728,252
Accumulated Depreciation				
At 1 January 2019	259,748	11,761	90,980	362,489
Prior year adjustments	(143,224)	(120)	(18,215)	(161,559)
As restated	116,524	11,641	72,765	200,930
Charge for the year	193,592	28,170	316,364	538,126
At 31 December 2019	310,116	39,811	389,129	739,056
Net carrying amounts				
At 31 December 2019	344,685	197,243	2,447,268	2,989,196
Year ended 31 December 2020				
Cost/valuation				
At 1 January 2019	654,801	237,054	2,836,397	3,728,252
Reconciliation Adjustments	62,500	326,100	(194,300)	194,300
At 31 December 2020	717,301	563,154	2,642,094	3,922,522
Accumulated Depreciation				
At 1 January 2020	310,116	39,811	389,129	739,056
As restated	310,116	39,811	389,129	739,056
Charge for the year	210,431	37,565	322,684	570,680
Reconciliation Adjustments	55,755	89,162	29,004	173,921
At 31 December 2020	576,302	166,538	740,817	1,483,657
Net carrying amounts				
At 31 December 2020	140,999	396,616	1,901,280	2,438,895

7 INTANGIBLE ASSETS

	Computer Software Kshs	Total Kshs
Cost/valuation		
At 1 January 2019	-	-
Additions	327,265	327,265
As at December 2019	327,265	327,265
Accumulated depreciation		
Charge for the year	45,453	45,453
At 31 December 2019	45,453	45,453
Net carrying amounts At 31 December 2019	281,812	281,812
Year ended 31 December 2020		
Cost/valuation		
Charge for the year	327,265	327,265
Additions	319,200	319,200
At 31 December 2020	646,465	646,465
Accumulated Depreciation		
At 1 January 2020	45,453	45,453
Reconciliation adjustments	70,934	70,934
Charge for the year	109,088	109,088
At 31 December 2020	225,475	225,475
Net carrying amounts At 31 December 2020	420,990	420,990

	2019 Kshs	2019 Kshs
8 TRADE AND OTHER RECEIVABLES		
Trade receivables	1,322,071	469,028
Prepayments	424,150	93,200
	1,746,221	562,228
9 CASH AND BANK BALANCES		
Bank balance	8,451,515	2,240,287
Cash balances	20,359	2,031
	8,471,874	2,242,318
10 PAYABLES AND OTHER PAYABLES		
Payables	3,365,339	2,979,076
Accrued expenses	332,136	171,123
Payroll payables	158,250	475,469
Refundable fees	207,460	197,560
Prepaid subscriptions	2,808,405	1,667,980
Other payables	315,311	
	7,186,901	5,491,208
11 PRIOR YEAR ADJUSTMENTS		
Prior year adjustments are made up of the following items:		
ACIIA subscription prepaid in prior years.	-	(151,597)
Prior year adjustments on members' subscriptions	(26,478)	
Adjustment of accumulated depreciation	(50,555)	161,559
	(77,033)	9,962

12 TAXATION

The Institute is still in the process of seeking exemption from income tax under Section 13(2) of the Income Tax Act, Cap. 470.

13 CONTINGENT LIABILITIES AND ASSETS

There were no material contingent liabilities that had not been provided for in the financial statements as at 31 December 2020. The Institute has an outstanding claim for a fine receivable relating to a disciplinary case amounting to Ksh. 1,000,000 which has not been recognized in the accounts due to an ongoing judicial review case, JR No. E039 of 2020.

14 CAPITAL COMMITMENTS

There were no commitments which had not been provided for in the financial statements for the year ended 31 December 2020 (2019: Nil).

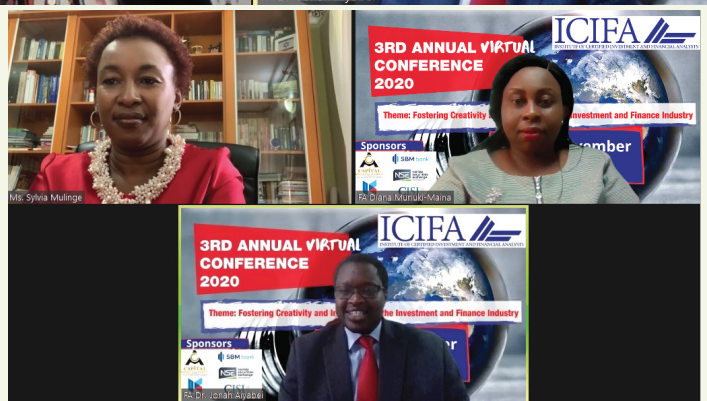
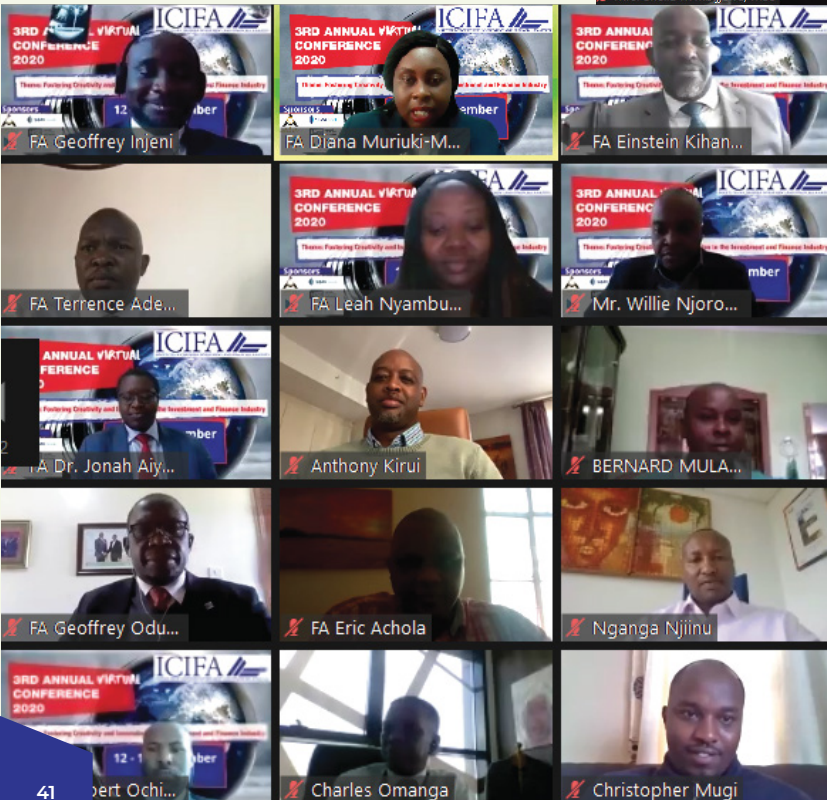
15 CURRENCY RISKS

The Institute operates wholly within Kenya and its assets and liabilities are reported in the local currency (Kenya shillings), and it held no significant foreign currency exposure as at 31 December 2020

Gallery and Media Publications



3RD ANNUAL VIRTUAL CONFERENCE 2020



ICIFA courtesy visit to IHRM (Institute of Human Resource Management)

Institute wants spending on public projects frozen

BY JAMES KARIUKI

Investment and financial analysts want public projects suspended so that funds can be directed to health facilities as Kenya battles the Covid-19 pandemic.

The Institute of Certified Investment and Financial Analysts (Icifa) said all development expenditure should be scrutinised with those found unnecessary deferred.

"Funds earlier set aside for the projects should be spent on increas-

ing diagnostic capacity for all health facilities and setting up more ICU beds in the counties," Icifa in a statement yesterday.

In a survey, interviewees drawn from the private and public sector called for massive investments in training medical personnel on the pandemic response as well as investing in research and innovation in the healthcare sector.

The institute said Kenya must urgently embark on empowering the populace with crisis management skills to enable the country deal with future

disasters.

"The government must enforce strong austerity measures through the Treasury to ensure the country's budget is balanced and surplus created," it said, adding that Kenyans must also be equipped with personal budgeting skills to inculcate a saving culture.

Interest-free funds

The survey urged the government to seek alternative funding to refinance current debts from socially-inclined funds that offer patient and interest-free

funds thereby cushioning the masses against the expected economic collapse.

"Kenya must stem plunder and avoid uninformed use of public funds at national and county levels. This will reduce deficits and accumulation of debt as witnessed in the rising number of unpaid bills," the report said.

"The government could consider engaging fiscal consolidation to mitigate the risks of the pandemic or else risk a sharp rise in the cost of borrowing for the government thereby hurting ongoing efforts to improve the economy."

Measures. They include fiscal consolidation for State and counties

Analysts push for debt refinancing

They say this would cushion Kenya's economy from global interest rates spike.

By Wainaina Wambui
wambui@kenyanews.com

Kenya should urgently refinance its debt in the international markets with lenders that give low-interest rate offers, investment and financial analysts have advised.

A survey conducted by the Institute of Certified Investment and Financial Analysts (ICIFA) noted that the refinancing, among other proposals, would cushion Kenya from

"Given the size of the country's public debt, it should be unlikely that the whole burden should fall on taxation. The debt restructuring will depend on State's ability to cut or at least contain current spending,"

ICIFA Chief Executive Diana Muria.

the spike in interest rates globally owing to negative impacts of the coronavirus pandemic.

The survey, which contains proposals for Kenya's economic recovery plan post the Covid-19 crisis, recommends fiscal consolidations at national and county government levels to reduce deficits and debt accumulation in the short term.

"In so doing, the government could consider engaging fiscal consolidations to mitigate the risks of the pandemic, failure to which it could cause a rise in the cost of borrowing for the State and undermining macroeconomic stability with widespread economic costs," said the survey that polled 90 of its members in both the public and private sectors.

Other short-term measures proposed

by ICIFA include restructuring of the government debt, slashing of the Central Bank lending rate and price controls to curb inflation owing to reduced supply. Others are good governance and adequate use of resources.

"Given the size of the country's public debt, it should be unlikely that the whole burden should fall on taxation. The debt restructuring will depend on government's ability to cut or at least contain current spending," said the ICIFA Chief Executive Diana Muria (pictured).

Economic stimulus
Medium-term measures proposed included financial support to micro, small and medium enterprises to ensure that they have easy access to lending facilities at low-interest rates. This will boost their working capital.

Others will encompass an economic stimulus to kick-start growth after the recession, supplying the labour force of low income with food and essential supplies.

For the long-term, ICIFA proposes high investment allocation in the manufacturing sector to build local production capacity and eventually reduce the over-reliance on imports at a time of crisis.

The proposals come in light of President Uhuru Kenyatta's measures to jump-start the economy, including tax breaks, to lessen the pain for Kenyans caused by economic disruption of the coronavirus.



ICIFA COUNCIL STRATEGY SESSION



Investment analysts seek projects freeze over virus

James Kariuki
kariuki@kenyanews.com

Investment and financial analysts want public projects suspended with funds realised put in improving healthcare to enhance Kenya's preparedness against

the Covid-19 pandemic. Icifa says some projects should be put on the back burner until the situation normalises

The Institute of Certified Investment and Financial Analysts (Icifa) said all development expenditure should be scrutinised to defer what can wait.

"Funds earlier set aside for the projects should be spent on increasing diagnostic capacity and setting up more ICU beds in

the counties," it said during the release of findings of a survey.

Respondents called for massive investment in training medical personnel on pandemic response as well as invest in research and innovation.

The Institute said Kenya must provide crisis management skills to enable the country deal with pandemics and disasters.

"The government must enforce strong austerity measures through the Treasury to ensure the country's budget is balanced and surplus created," it said.

"The government could consider engaging fiscal consolidation to mitigate the risks of the pandemic or else risk a sharp rise in the cost of borrowing .

Recession inevitable as coronavirus affects trade

Analysts predict that economic effects could be felt five years after pandemic is contained

by Lewis Mjaka
lewis@kenyanews.com

Investment and financial specialists are warning of a global recession as supply chain shocks hit investments, household consumption and international trade, on the back of the Covid-19 scourge.

According to a report by the Institute of Certified Investment and Financial Analysts (Icifa), an analyst says Kenya's supply chain will bear the highest impact, followed by declining company revenues.

The report, which paints a gloomy picture of economies, further notes that uncertainties over the virus, decline of stock prices, weakening of domestic currency, sectoral decline of demand for products and volatility of interest rates are also shaking the outlook.

"From the respondents' views, there was a general concern on the supply chain disruptions that may be occasioned by the Covid-19 crisis. The concerns raised pointed to a state where trade of any kind would decline to closure of international borders thereby causing traders not to be able to access supplies or export their produce," the report reads in part.

Trade relations

In a world which is highly interconnected, with countries forced into lockdowns, closed factories, cancelled flights, and closed borders, the global supply chains will never be the same again hence affecting businesses. Kenya's close trade relations with China come into focus.

Most of the analysts in the country fear that a global recession will occur after the Covid-19 pandemic.

The Icfifa report shows that 98 per cent of investment and financial analysts in the country expect a global recession to occur with only two per cent saying that the recession is unlikely to occur.



A global recession is an extended period of economic decline around the world characterised by factors such as reduced gross domestic products (GDPs), lower employment rates and reduced purchasing power among others.

Of those who feel it will occur, 29 per cent rate the possibility at neutral likelihood while 69 per cent said there was a high likelihood.

About 16 per cent of the respondents believe the global recession will last less than two years while 12 per cent said it would last more than five years.

More than half of the respondents (53.7 per cent) estimated that the recovery period from the global recession would last less than one year while 33.7 per cent of the respondents estimated a period of between one and two years. Only two per cent of the respondents estimated that the recovery period would take three to four years, which was the least ranked period," says the Icfifa report.

Since World War II, there have been four global recessions that meet the International Monetary Fund criteria. These were in 1975, 1982, 1991 and 2009.

Global economies

Unlike the spiralling recession, which analysts attribute to the effect of Covid-19 pandemic on global economies, the last one (2008) was brought about by deregulation in the financial industry.

The Icfifa study was carried out in March and involved 93 respondents, all members of the institute.

Of these, 55 per cent were from private sector, 31 per cent from public sector, while the remaining 14 per cent came from other sectors such as commerce, non-profit, education and others.

There was a general concern on the supply chain disruptions that may be occasioned by the crisis



CIFA QUALIFICATION AND ICIFA MEMBERSHIP

The Institute of Certified Investment and Financial Analysts ("ICIFA"), created under the Investment and Financial Analysts Act (No.13 of 2015) ("IFA Act"), is the only body mandated by law in Kenya to regulate and grant practising licences to Certified Investment and Financial Analysts (CIFAs) in both private and public practice. In accordance with the Act, the examination body for Certified Investment and Financial Analysts Examination is kasneb.

ICIFA is dedicated to providing region-wide network and promoting the role of investment and financial analysts in financial, investment and related fields in all sectors of the economy as provided for in law and regulations. ICIFA provides skilled, competent, competitive professional expertise in all sectors in investment and finance, including but not limited to financial, capital markets, insurance, retirement benefits, trusts, sacco, wealth management and financial and investment advisory.

Some of the job roles that are legally reserved for CIFA qualified and ICIFA professionals include:

- Investment Analysts;
- Financial Analysts;
- Investment Research Analysts;
- Investment Officers;
- Investment/Portfolio/Fund/Pension Management;
- Investment Management in Investment Banking;
- Investment traders/dealers in Stockbroking and Forex Operations;
- Investment/Financial Advisors;
- Investment/Financial Specialists;
- Wealth Management Advisors;
- Financial Advisors/Planners;
- Derivatives/Commodities/Forex Analysts; and
- Other related roles.

In this regard, therefore, Human Resources (HR) Professionals are requested to always ensure that their job recruitment advertisements and similar public communication seeking to fill vacancies in the areas covered under the IFA Act as listed above that such communication require CIFA qualifications and ICIFA membership in good standing.

Organizations involved in investment analysis and/or financial analysis are required to be in compliance with the IFA Act.

ICIFA Council

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PUBLIC NOTICE

ICIFA wishes to alert the public of the following Investment and Financial Analysts Act No. 13 of 2015 Amendments in the Statute Law (Miscellaneous Amendments) Act, 2020 enacted on 11 December 2020.

section 18(1)(e): Delete the word “public”.

Delete the phrase “a securities and investment” and substituting therefore the phrase “investment (including securities) and financial”.

section 20: Insert the following new subsections immediately after subsection (1) –

“(1A) A person shall not become a Chief Investment Officer, or head of an investment department or function in a firm investing public funds, or a firm in the practice of investment and financial analysis, unless the person is registered as a certified investment and financial analyst and holds a practicing certificate and an annual licence issued by the Registration Committee.”

“(1B) A person shall not perform verification, certification and advice of investment of funds in public entity, or a firm in the practice of investment and financial analysis, unless the person is registered as a certified investment and financial analyst and holds a practicing certificate and an annual licence issued by the Registration Committee.

“(1C) A person shall not verify investment returns declared by a firm investing public funds, or a firm in the practice of investment and financial analysis, unless the person is registered as a certified investment and financial analyst and holds a practicing certificate and an annual licence issued by the Registration Committee”.

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