

**CPS GOVERNANCE CENTRE PUBLIC LIMITED COMPANY**

**MINUTES OF 9<sup>TH</sup> ANNUAL GENERAL MEETING (AGM) OF THE COMPANY HELD ON FRIDAY, 25<sup>TH</sup> JUNE 2021 VIA ZOOM AND AT THE CPS GOVERNANCE CENTRE, KILIMANJARO ROAD, UPPER HILL  
AT 11.00 A.M**

---

**PRESENT:**

<b>MEMBER NAME</b>		<b>MEMBER NUMBER</b>
1. Mercy Wanjau	- Chairman	1022
2. Lipio Mugambi	- Member/ Director	1864
3. Julia Mwhaki Kinandu (Mrs)	- Member/ Director	0535
4. Nelson Walusala Nyongesa	- Member/ Director	2501
5. Nyaega Obare	- Member/ ICS CEO	2517
6. Erastus Gitau		0001
7. James Foster		0063
8. Grace Muriagoro		0136
9. Catherine Fisher		0174
10. Patrick Mutemi		0406
11. Peterson Mwangi		0502
12. Peter Macharia		0508
13. Asaph Kimani		0527
14. Hope Mwashumbe		0981
15. Catherine Musakali		1033
16. Ibrahim Yunis		1321
17. Symon Mbanya		1328
18. David Ndung'u Kamau		1489
19. Solomon Okeyo Awino		1739
20. Albert Kamunde		1927
21. Anthony Kisia		2101
22. Robert Ochieno		2211
23. Calvin Nyachoti		2471
24. Caroline Gituma		2474
25. Carylus Odiango		2654
26. Denis Ndungu		2718
27. James Aggrey Ojwang		2917
28. Sarah Morintat		3170

**APOLOGIES**

Freddie Ernest Kirima Kihara

**PROXIES**

CS Lazarus Kimanga appointing CS Calvin Nyachoti as his proxy.

## **IN-ATTENDANCE**

- |                       |  |
|-----------------------|--|
| 1. CS. Paulina Munyua | - Representing Olmara Registrars LLP (Company Secretaries) |
| 2. CPA Edwin Bariu    | - Representing the Auditors, King'ang'i Kamau and Company  |
| 3. CPA Pius Kamau     | - ICS Finance  |
| 4. Felistas Musyoka   | - ICS  |

## **PRELIMINARIES**

The Chairman welcomed members to the 9<sup>th</sup> AGM of the Company and called the meeting to order at 11.10AM. The Chairman recognized the presence of the Board members and introduced them to members.

CEO led the members with the National Anthem to open the meeting. He thereafter explained the guidelines of the virtual meeting.

## **MIN. 01/AGM/2021: NOTING OF QUORUM AND APOLOGIES**

The ICS CEO confirmed that there was quorum and that the meeting was properly convened and constituted.

## **MIN. 02/AGM/2021: NOTICE CONVENING THE ANNUAL GENERAL MEETING**

The CEO read the notice convening the meeting and the agenda thereof. The agenda was unanimously adopted through a poll that was done virtually.

## **MIN. 03/AGM/2021: ADOPTION OF THE MINUTES OF THE 8<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON 26<sup>TH</sup> JUNE 2020**

The Minutes that had been earlier circulated were tabled at the meeting for discussion and approval. It was noted that there were no questions relating to the Minutes and therefore the Minutes were approved and adopted with a proposal by CS Julia Kinandu and seconded by CS Solomon Okeyo Opiyo.

It was unanimously **resolved** that the minutes of the last AGM held on 26<sup>th</sup> June 2020 be and are hereby approved and adopted.

## **MIN 04/AGM/2021: TO RECEIVE, CONSIDER AND ADOPT THE CHAIRMAN'S REPORT**

The Chairman took the members through the Chairman's statement highlighting on the following matters:

## **BOARD OF DIRECTORS**

In 2020, the Company was served by the following directors:

- |                                       |   |             |
|---------------------------------------|---|-------------|
| 1. CS Mercy W. Wanjau                 | - | Chairperson |
| 2. FCS Waweru Mathenge                | - | Member      |
| 3. CS Nelson W. Nyongesa              | - | Member      |
| 4. CS Julia M. Kinandu                | - | Member      |
| 5. CS Lipio Mugambi                   | - | Member      |
| 6. FCS Justin Kimani                  | - | Member      |
| 7. Institute of Certified Secretaries | - | Member      |

## **PROGRESS REPORT ON THE DEVELOPMENT OF CPS GOVERNANCE CENTRE**

The Chair presented a report on the progress of the CPS Governance Centre project to members highlighting on the following:

### **ICS Council and CPS Governance Centre Limited Board**

She reported that a joint meeting had been held between the Council of the Institute of Certified Secretaries and the Board of CPS Governance Centre Limited and a resolution was passed that an Advisory Committee be constituted to look into the concerns raised including the viability of the project as initially envisioned and the shifting property landscape in Upper hill and in Nairobi at large. The Advisory Committee presented a report to a joint meeting of the Council and the Board of CPS Governance Centre Limited.

After deliberations and considering the recommendations of the Advisory Committee, the Council and the Board of CPS Governance Centre Limited made the following observations/ resolutions:-

1. THAT the project, as initially envisioned, is NO longer viable,
2. THAT all investors are to be refunded their funds taking into consideration the interest earned over time and sunk costs incurred to date,
3. THAT the consortium of Consultants, who were handling the project, have declared a dispute and gone for Arbitration. The Board of CPS Governance Centre Limited has appointed a legal counsel to represent it in the matter. Currently the Consultants and the Board of CPS Governance Centre Limited are exploring the possibility of an amicable settlement of the dispute.
4. THAT the matters shall be brought before AGMs/SGMs of both the Institute and the CPS Governance Centre Limited for considerations and approvals/ratifications.

During the 30<sup>th</sup> Annual General Meeting of the Institute of Certified Secretaries held on Friday, May 28, 2021, the meeting approved and adopted the following:

- (a) The joint recommendations by the Council and the Board of CPS Governance Centre Limited as per their reports.
- (b) That recommendations be made to the Board of CPS Governance Centre Limited to expedite refunds to the investors as approved by the joint meeting between the Council and the CPS Governance Centre Board in their reports.
- (c) That the project is no longer viable as initially conceptualized and should be abandoned and reconsidered in its entirety.

The above recommendations were tabled in the Board meeting of CPS Governance Centre Limited and the Board wished to highlight the following:

- a) That in undertaking the CPS Governance Centre project, certain costs were incurred.
- b) That since the project is no longer viable, the attendant costs have now adjusted and will be impaired.
- c) That as a result of this impairment, the invested funds will be impacted to the extent of making those impairments.
- d) That as a result of the above, investors are unlikely to receive 100% refunds.
- e) That indicatively, the refunds will stand at around 80%.
- f) That computations will be done in an expedited manner to establish the amounts that will be refundable.
- g) That the information on the computations will be brought to the attention of the investors so that the Board of CPS Governance Centre Limited commences the refund process.

CPA Pius Kamau highlighted on the status of accounts and the available funds. A computation was done, and it was noted that the refunds will be approximately 78%.

The Chair welcomed members for comments and questions.

Most of the members were concerned about when the refunds would be expedited, and the Chair advised that the same may be done in the next 30 to 60 days to enable the Arbitration process to be finalized.

It was also noted that the Company had been providing for legal fees as the service providers had issued an invoice that was not been fully paid and therefore the same remained as a liability to the Company until that time when it will be written off.

After a question-and-answer session, it was unanimously **resolved** that the Chairman's report be and is hereby adopted, having been proposed by CS Patrick Mutemi and seconded by CS Peter Macharia.

**MIN. 05/AGM/2021: ADOPTION OF REPORT AND FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

The report and financial statements of the company for the year ended 31<sup>st</sup> December 2020 that had already been circulated were tabled for consideration.

Chairman welcomed the Auditor representative CPA Edwin Bariu from King'ang'i Kamau & Company, Certified Public Accountants of Kenya (CPAK) to present the accounts and read the Auditors opinion.

After deliberations, It was unanimously **resolved** that the report and financial statements of the Company for the financial year ended December 31, 2020, together with the reports of Directors and Auditors thereon as presented by the Auditors, be and are hereby adopted, as proposed by CS Patrick Mutemi and seconded by CS Dennis Thiong'o.

**MIN. 06/AGM/2021: APPOINTMENT OF THE COMPANY'S AUDITORS FOR THE FINANCIAL YEAR 2021 AND TO AUTHORIZE THE DIRECTORS TO FIX THE AUDITORS REMUNERATION**

It was noted that King'ang'i Kamau and Company, CPA(K) had expressed their willingness to continue as the Company Auditors for the next Financial Year.

It was unanimously **resolved** that King'ang'i Kamau and Company, CPA(K) be and are hereby appointed to serve as the Auditors of the Company for the financial year 2021, until the conclusion of the next AGM. It was further **resolved** that the Directors be and are hereby authorized to fix the Auditors' remuneration. The motion was proposed by CS Calvin Nyachoti and seconded by CS Sarah Morintat.

**MIN. 07/AGM/2021: DIRECTORS' REMUNERATION**

It was noted that the Directors did not recommend any increase of Directors remuneration.

The Chairman welcomed questions and/ or comments on the agenda. Majority of the members felt that the Board should not be paid any allowances and should serve on pro bono basis considering the financial status of the Company.

After deliberations, a poll was conducted and majority of the members, 50% voted against the motion, 42% abstained and only 8% supported the motion.

The shareholders therefore did not approve payment of directors' remuneration.

**MIN. 08/AGM/2021: DIVIDEND PAYMENT FOR THE FINANCIAL YEAR 2020**

It was noted that directors did not recommend the payment of dividends for the financial year ended 31<sup>st</sup> December 2020. This was adopted by members with a proposal by CS Arthur Kimani and seconded by CS Robert Ochieno.

**MIN. 09/AGM/2021: ELECTION OF COMPANY DIRECTORS**

The Chairman reported the following:

9.1 CS Lipio Mugambi retires by rotation and having served for two terms was not eligible for re-election.

It was noted that though nomination Forms had been circulated with the notice, the Company Secretary did not receive any nomination form 48hours prior to the meeting as it had been indicated.

The Chairman notified the shareholders that it was their duty to elect Directors and they should therefore nominate or express their interest to serve in the Board. After deliberations, CS Calvin Nyachoti volunteered to serve as Board Member in the Company. He was unanimously elected by the members.

CS Lipio Mugambi was given a chance to give a few remarks as he exits from being a director of the Company. He thanked the members for giving him a chance to serve in the Board and wished the remaining directors well in their service.

**MIN. 10/AGM/2021: ANY OTHER BUSINESS**

The Company Secretary reported that no notice of any motion to be discussed under any other business had been received 48 hours prior to the meeting.

The Chairman thanked members for attending the meeting and the CEO led the members to close the meeting with the National Anthem.

---

**THERE BEING NO OTHER BUSINESS THE MEETING ENDED AT 12.30PM.**

---

Signed as a true record of the proceedings:

**CHAIRMAN** ..... **DATED:** .....