

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

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THE AUDITOR-GENERAL

ON

THE PRESIDENT'S AWARD-KENYA

**FOR THE YEAR ENDED
30 JUNE, 2020**





THE PRESIDENT'S AWARD - KENYA

Proud to be

**THE DUKE OF EDINBURGH'S
INTERNATIONAL AWARD**

in Kenya

Patron - His Excellency the President of the Republic of Kenya



**THE PRESIDENT'S AWARD SCHEME OPERATING AS
THE PRESIDENTS AWARD - KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

The President's Award Scheme operating as The President's Award - Kenya
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KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The President's Award - Kenya (PA-K) was launched in Kenya in 1966 by the Founding Father of the Nation, the late Mzee Jomo Kenyatta, being the Patron. The President's Award-Kenya is a member of the Duke of Edinburgh's International Award for young people with the aim of building young people's character to enable them become responsible citizens in their communities, country and society in general. The President's Award-Kenya is licenced to operate in Kenya by the Duke of Edinburgh's International Award.

The programme has been able to nurture young people who have become leaders, thinkers and innovators and are making a significant contribution to national development. PA-K became a State Corporation in 2017 through an Act of Parliament. It's commencement as a state corporation was on 16 August 2017. The entity is domiciled in Kenya with it's Headquarters situated at 15 Elgon Road, Upper hill, Nairobi.

b) Principal activities

PA-K is a self-development and character building programme available to all young people countrywide between the ages of 14 and 24 equipping them with positive life skills to make a difference for themselves, their communities, country and the world. The program draws participation from learning institutions, mainly secondary schools, universities and tertiary institutions, faith based and community based organizations as well correctional institutions. The President's Award-Kenya is a Semi-Autonomous Government Agency through the President's Award Act No.30 of 2017.

Vision

To be the leading youth brand in Kenya and the International Award Programme of choice.

Mission

To develop and drive quality programmes that equip young people with leadership qualities and life-long skills to inculcate core national values for responsible citizenship.

PA-K's strategic objectives are:

- i. To facilitate the delivery of a quality youth programme inculcating core national values
- ii. To facilitate young people to contribute to national development priorities
- iii. To develop, operationalize and sustain a digital platform
- iv. To undertake research and development (R & D) on youth development trends
- v. To establish a sustainable resource base
- vi. To enhance the profile and visibility of PA-K
- vii. To strengthen PA-K's Corporate Governance

KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

c) Key Management

The President's Award-Kenya day-to-day management is under the following key organs

- The Chief Executive Officer
- Management Team

d) Fiduciary management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Nellie Munala
2.	Head of Finance	Grace Musyoka
3.	Head of Procurement	Evans Okite

e) Fiduciary Oversight Arrangements

The Board of The President's Award-Kenya has constituted Finance, Audit and Technical committees in place that carry out oversight activities towards good corporate governance and as required by the Mwongozo Code of Governance for State Corporations.

Audit, Risk and Compliance Committee

- i. The functions of the Audit, Risk and Compliance Committee include:
- ii. To review the Board's internal financial controls and risk management systems and advise on risk areas.
- iii. To monitor and review the effectiveness of the Board's internal audit function and make recommendations to the Board.
- iv. To review and monitor the internal auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements.
- v. To advise the Board on matters related to audit and Governance.
- vi. To handle audit issues.
- vii. To ensure compliance with the legal and statutory requirements.

KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

Parliamentary Committee Activities

The Board reports on financial matters to the Parliamentary Investments Committee (PIC) by virtue of being a State Corporation. Most parliamentary committees investigate specific matters of policy or government administration or performance. Other parliamentary committees are responsible for matters related to the internal administration of the parliament.

Committees are able to do things which it would not be possible to undertake in the large, formal environment of the parliament, such as finding out the facts of a case or issue, gathering evidence from expert groups or individuals, sifting evidence and drawing up reasoned conclusions. This kind of work is more effectively carried out by small group members. An advantage of committees is that several of them can operate at one time enabling many more investigations to be conducted. Each committee has its own defined area of operation so that it is able to specialize and build up a body of expertise among its members

f) Headquarters

P.O. Box 62185, 00200
15 Elgon Road, Upper hill
Nairobi, Kenya

g) Contacts

Telephone: (254) 722714122/ (254) 787419325/(254)202714829/30
E-mail: info@presidentsaward.or.ke

h) Banker

Kenya Commercial Bank
Kipande House Branch
P.O. Box 30012
Nairobi, Kenya

i) Independent auditor

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084, 00100
Nairobi, Kenya

j) Principal legal adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112, 00200
Nairobi, Kenya




THE BOARD OF TRUSTEES

 <p>1. Dr. Fr Wakimani Wamugunda D.</p>	<p>Dr. Fr Wakimani Wamugunda D was appointed as the President's Award – Kenya Board Chair on 18th March, 2019. He is the Dean of Students and a Lecturer of Sociology at the University of Nairobi.</p>
 <p>2. Prof. Eric Okoth Ogur, PhDCEng MIMechE</p>	<p>Prof. Eric Ogur was appointed as member of the President's Award – Kenya Board on 18th March, 2019 as an alternate to the CS Ministry of Education. He was previously an Associate Professor at the Technical University of Kenya</p> <p>He holds PhD in Engineering and Masters in Manufacturing Systems Engineering from University of Warwick Coventry, England. BEng (Hons) Mechanical and Manufacturing Engineering from University of Portsmouth, England, Higher Diploma and diploma in Mechanical Engineering from Kenya Polytechnic</p>
 <p>3. Susan Nkirote Omanga</p>	<p>Susan was appointed as member of the President's Award – Kenya Board on 18th March, 2019. She founded Exclamation Marketing Ltd in 1998, a fully-fledged marketing communications agency which serves local and international clients. Previously Susan was Head of Marketing, Standard Chartered Bank in East Africa and Marketing Manager, Barclays Bank of Kenya</p> <p>She holds a Bachelor of Science in Business Management and Marketing with minor in advertising from Rocky Mountain College, Billings, Montana, USA.</p>

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 <p>4. Sylvia Wairimu Mulinge</p>	<p>Sylvia was appointed as member of the President's Award – Kenya Board on 18th March, 2019. She is currently serving as a Chief Customer Officer at Safaricom. She has developed a track record in the strategic thinking, new business development, commercial execution and people development in the Fast Moving Consumer Goods and Telecommunications sector.</p> <p>She holds a BSc – Food Science and Technology degree from the University of Nairobi.</p>
 <p>5. Kennedy Martin Waituka Kihara, CBS, EBS</p>	<p>Kennedy was appointed as member of the President's Award – Kenya Board as a representative from the Office of the President. He is the Principal Administrative Secretary in the Executive Office of the President. He is also the Assistant Secretary to the Cabinet.</p> <p>He holds a Masters of Business Administration degree from Maastricht School of Business and a Bachelor of Arts degree in Political Science from the University of Nairobi. After basic paramilitary training, he has undertaken specialist training in Israel, Austria, India and the United Kingdom.</p>
 <p>6. Godfrey Busolo, OGW</p>	<p>Godfrey was appointed as a member of the President's Award – Kenya Board on 18th March, 2019 as an alternate to the Principal Secretary National Treasury. He is a Senior Deputy Secretary at the National Treasury. He has previously held different positions in different Ministries.</p> <p>He holds a Masters of Arts (MA) – International Studies, Masters of Business Administration - Strategic Management from the University of Nairobi, Bachelor of Arts – Government, Diploma in Human Resource Management from Kenya Institute of Management, Diploma in Business Administration, - ABE, London.</p>

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 <p>7. Sachen Chandaria</p>	<p>Sachen was appointed as member of the President's Award – Kenya Board on 18th March, 2019. He is a well-rounded and influential businessman having been involved in running the family business traversing different countries like North America, Europe, Africa and the Middle East where he has gained both local and global wealth of experience.</p> <p>He is a graduate with Honours in Chemistry and Management from Imperial College in London.</p>
 <p>8. Edwin Otieno Joseph, OGW</p>	<p>Edwin was appointed as member of the President's Award – Kenya Board on 18th March, 2019.</p> <p>Current positions are Chairman, Elimu SACCO and Chairman, CIC General Insurance Company. He was previously the Executive Director for The President's Award-Kenya.</p>
 <p>9. Veronica Chematia Birgen, MBS</p>	<p>Veronica was appointed as member of the President's Award – Kenya Board on 18th March, 2019 as an alternate to the CS Ministry of Public Service, Youth and Gender Affairs. She is the Technical Advisor to the CS – Ministry of Public Service, Youth and Gender Affairs and Commissioner, Public Service Commission.</p> <p>She holds a Master's Degree in Science Organisational Development from U.S.I.U Africa. Bachelor of Arts (Hons) from University of Nairobi, Post Graduate Diploma in Human Resource Management at Institute of Human Resource Management (Kenya).</p>

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10. Nellie Munala

Nellie is th Chief Executive Officer at The President's Award-Kenya. Her experience includes 11 years international development exposure, which includes, 4 years working in conflict and post conflict communities in Rwanda and the DR Congo with Voluntary Service Overseas and MONUC (UN Mission to Congo) in the child, youth and gender sectors and 7 years in Zambia with the Commonwealth Secretariat, Youth Affairs Division, in the youth development sector.

She holds a Master of Arts degree in Development Studies from Erasmus University, International Institute of Social Studies, The Hague, The Netherlands; a Bachelor of Arts degree in Sociology from the University of Nairobi; graduate and postgraduate qualifications in journalism and Mass Communication from the Kenya Institute of Mass Communication (KIMC) as well as Strategic Leadership Development Programme (SLDP) from Kenya School of Government.

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MANAGEMENT TEAM

 <p>Chief Executive Officer</p>	<p>1. Nellie Munala</p> <p>Master of Arts, Development Studies Strategic Leadership Development Programme (SLDP) Postgraduate Certificate in Mass Communication Postgraduate Certificate in Journalism Bachelor of Arts, Sociology</p>
 <p>Programme Manager, Resource Mobilisation</p>	<p>2. Christine Chacha</p> <p>Higher National Diploma in Entrepreneurship, Diploma in Technical Education</p>
 <p>Programme Manager, Research & Programme Development</p>	<p>3. Jinnarius Wambugu</p> <p>Bachelor of Arts in Community Development, Diploma in Technical Education</p>
 <p>Programme Manager, Monitoring & Evaluation</p>	<p>4. Harat Malenya</p> <p>Bachelor of Arts and Social Sciences, Post Graduate Diploma in Education</p>

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 <p>Programme Manager, Digital Platform</p>	<p>5. Wangari Kaburi</p> <p>Bachelor of Arts in Education, Diploma in Education</p>
 <p>Programme Manager, Training & Capacity Building</p>	<p>6. Joram Otieno</p> <p>Bachelor of Arts and Social Sciences</p>
 <p>Finance Officer</p>	<p>7. Grace Musyoka</p> <p>Masters of Business Administration Degree- Strategic Management, Bachelor of Business Administration (Finance and Accounting), CPA (K)</p>
 <p>Senior Supply Chain Management Officer</p>	<p>8. Evans Odhiambo Okite</p> <p>Higher National Diploma in Purchasing and Supplies Management (FIS)</p>

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Office Manager

9. Phelister Wanjau
Diploma, Business Administration

CHAIRMAN'S STATEMENT

Dear Stakeholders,

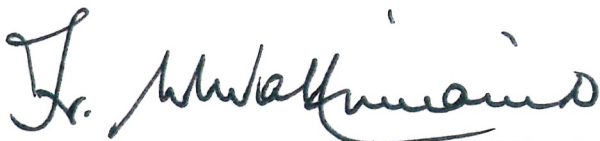
It is with great pleasure that I present the President's Award – Kenya FY 2019/2020 Annual report and financial statements and to assure you that as an organisation we have continued to deliver on the mandate to promote national values and integrity in our community. Through inculcating leadership skills and a spirit of service we prepare young people to be world ready and the world ready for young people!

The year has seen the organisation support young people to contribute to community and national development priorities in their respective communities. Young people have embraced the use of the digital platforms to support their communities understand and practice the Government issued protocols on limiting the spread of the COVID-19 pandemic. The period also has seen the programme continue doing business while young people are at home under the supervision of their adult mentors and parents/guardians.

The two major challenges facing the President's Award - Kenya is that; (i) it has not attained optimal staffing levels and (ii) financial constraints to support the effective delivery of the programme.

The President's Award – Kenya has focussed on making remarkable contributions to the development of young people in cognisance with the disruptions occasioned by the COVID-19 pandemic. The organisation has taken advantage of the disruptions caused by the pandemic to equip young people to be new 'normal' ready! I look forward to working closely with all stakeholders in enhancing the mandate of the organisation.

Finally, I wish to acknowledge with gratitude the Government of Kenya for its goodwill and invaluable support to the President's Award – Kenya as it strives to implement its goals and objectives.



DR. (FR.) WAKIMANI WAMUGUNDA D.
CHAIRMAN, BOARD OF TRUSTEES

REPORT OF THE CHIEF EXECUTIVE OFFICER

The President's Award – Kenya: 2019/2020

The President's Award – Kenya 2016 – 2020 Strategic Plan has been informed by Kenya's Vision 2030, the National Youth Policy 2007, the Constitution of Kenya 2010, the Duke of Edinburgh's Award Foundation Strategic Plan 2014-2020, the President's Award – Kenya Validation and Improvement Plan 2013 as well as the President's Award Act, No. 30 of 2017.

Some of the key highlights include:

1.0 Reach - Participation

- i) 3461 young people were enrolled in the Award programme. The Award participants were mainly drawn from educational institutions, both public and private institutions from Secondary schools, Universities and tertiary colleges. Other participants were drawn from Correctional Institutions as well as community based organisations.
- ii) The uptake of the Award on the online platform was 1,882 while on the manual record book 1,579 participants.
- iii) 1683 young people qualified for their Gold Award certificates.
- iv) 400 students from 40 schools across 17 counties participated in the programme through sponsorship from a World Fellow Diamond Benefactor. The donor has sponsored participation of the students on the digital platform through the Compass Project.
- v) Through an externally funded project, Mrembo project, 328 students from Kisima Girls and JoyTown Secondary School participated in the Award – the project specifically targets to build confidence and support girls and young women to actively participate in the development of their communities.
- vi) Notable is the integration of person's with special needs in the programme. The programme was delivered in schools for the blind, deaf and persons with physical disabilities. The programme was also delivered to young offenders in prisons, correctional centres and Borstal institutions.

2.0 Relevance

- i) The entity focuses on contributing to the ideals of the Constitution of Kenya 2010;
Chapter 2, Article 10: Principals of Governance and National Values
Chapter 6 : Leadership and Integrity

REPORT OF THE CHIEF EXECUTIVE OFFICER (CONTINUED)

- ii) The entity focuses on promoting young people's contribution to community, national and global development priority goals.
- iii) The new entrant participants undertook a voluntary community service activities through community projects across the country. Examples of the projects they participated in included environmental conservation, construction of classrooms, home care services to orphans and the elderly, advocacy on children and young people's rights including person's with disability, medical camps and sign language training.

3.0 Structure

- i) The Secretariat comprised of 13 staff members, 8 staff were deployed from the Ministry of Education, The National Treasury, Ministry of Public Service, Youth and Gender Affairs as well as Ministry of Agriculture, Livestock, Fisheries and Irrigation.
- ii) The Secretariat has 5 staff members under Programmes department and 8 staff members under Administration. The Chief Executive officer oversees the Programmes and Administration departments.
- iii) The Ministry of Education, Directorate of Youth Affairs and Office of the President supported the delivery of the Programme.
- iv) The Board of Trustees appointments are contained in Kenya Gazette Notice Vol. CXXI – No. 34 dated 22 March 2019 in line with the transition of the organisation into a State Corporation of the President's Award Act, No. 30 of 2017. The Ministry of Education, the line Ministry, supported the operations of the entity.

4.0 Sustainability

- i) The Government of Kenya contributed Kshs. 60,000,000. Government provides annual subvention to support both recurrent and development Expenditure
- ii) External donors through the Duke of Edinburgh's International Award World Fellowship programme equipped institutions through supply of ICT and outdoor equipment to enhance the delivery of the programme on the digital platform through the Compass project. A total of 400 students from 40 institutions across 17 counties undertaking the programme on the digital platform are being supported.

5.0 Visibility

- i) Award participants (young people's) contribution to achieving the Big4 agenda were reflected in the community service interventions that they undertook in regard to environmental conservation at their respective institutions as well as the neighbouring communities.

REPORT OF THE CHIEF EXECUTIVE OFFICER (CONTINUED)

- ii) Award participants engaged in disseminating to their respective communities Government protocols on limiting the spread of the COVID-19 pandemic. The dissemination of information was mainly done using e-platforms available to communities, that is, short messaging service (sms). For example, an Award participant in Machakos county, used sms texting to reach farmers in her community in regard to raising awareness on COVID-19 pandemic protocols.
- iii) Award participants (young people's) contribution to achieving the Big4 agenda were reflected in the community service interventions that they undertook in regard to environmental conservation at their respective institutions as well as the neighbouring communities.
- iv) Award participants engaged in disseminating to their respective communities Government protocols on limiting the spread of the COVID-19 pandemic. The dissemination of information was mainly done using e-platforms available to communities, that is, short messaging service (sms). For example, an Award participant in Machakos county, used sms texting to reach farmers in her community in regard to raising awareness on COVID-19 pandemic protocols.
- v) The Award Holder's Alumni strengthened the delivery of the Award through fundraising, service to community and awareness raising activities e.g. The Alumni was able to raise funds to support 266 young people in 11 public schools in Kilifi county to enrol in the Award Programme. The Award Holder's Association provided sanitary towels/pads to 100 girls participating in the Award.

6.0 Challenges

The entity identified the following key areas needing attention;

i) Visibility

The awareness of the President's Award – Kenya brand in the community and especially beyond the capital city and its environs is limited. This has an implication on the enrolment rates of young people on the Award programme as well as engagement of adults and potential supporters. The entity continues to explore opportunities to engage in spaces to influence policy and practice in youth development and national development.

ii) Human Resources

The current President's Award – Kenya staff compliment is inadequate to achieve its stated mandate. Sixty- one percent (61%) of the staff is seconded or deployed staff and key positions required to deliver on the PA-K mandate have not been filled.


The proposed staff establishment report awaits the relevant authorizations to facilitate its implementation.

REPORT OF THE CHIEF EXECUTIVE OFFICER (CONTINUED)

i) Financial Resources

The current annual Government subvention to the President's Award – Kenya is insufficient to meet the budgetary requirements to deliver the programmes and projects effectively. The President's Award – Kenya received an estimated 30% of its budgetary requirement.

The entity embarked on diversifying its revenue sources and prioritized the operationalization of the President's Award - Kenya Foundation, a facility focusing on raising the financial resource base of the organisation to effectively deliver on its mandate.



Nellie Munala
CHIEF EXECUTIVE OFFICER

REVIEW OF PRESIDENT'S AWARD-KENYA'S PERFORMANCE FOR FY 2019/2020

The Award Programme delivery mirrors the national development framework in order to significantly reach out to the youth segment both in and out of school. Thus the following Award impact areas are in line with the National Youth Development Policy as well as the Education sector goals of promoting non-formal education;

Key Impact areas are as follows;

- i) Improved employability and earning potential
- ii) Improved physical health and fitness
- iii) Improved mental health and emotional wellbeing
- iv) Increased engagement with charitable and community causes
- v) Increased social cohesion
- vi) Improved environmental impact
- vii) Reduced offending

In its programme based plan for FY2019/2020, The President's Award – Kenya identified the following Strategic Pillars;

- i) Reach
- ii) Relevance
- iii) Structure
- iv) Visibility
- v) Sustainability

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Reach	Enrol 8,000 new participants from diverse backgrounds across the country	No. of new participants enrolled	Award presentations and sensitization sessions to prospective Institutions	3461 new participants enrolled
Pillar 2 Relevance	To facilitate young people's contribution to community and national development	Types of young people's contributions to community and national development priorities	Engagements in community and national service Community Service and Gold Residential projects focused on providing solutions to community challenges	Environmental conservation at institution level. 10,000 seedlings planted in Central and Coast Regions At least 1683 Gold level participants engaged in Gold Residential

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	ent priorities			community projects ranging from construction of classrooms, disseminating information on COVID-19 pandemic protocols and agribusiness
Pillar 3 Structure	To develop institutional operational manuals To strengthen corporate governance structure to improve PA-K operations	Institutional operational manuals Board induction To develop Board Charter To develop Terms of Reference for Board Committees	Development of draft documents on; PA-K Human Resource Policies and Procedures manual PA-K careers progression guidelines PA-K Salary & Allowances PA-K organisational structure and staffing Board inducted PA-K Board charter ToR's for Board Committees	PA-K Human Resource Policies and procedural manual PA-K careers progression guidelines PA-K Salary & Allowances Structure PA-K organisational Structure and Staffing Board induction held PA-K Board charter approved PA-K Board Committee Terms of reference approved i) Technical ii) Human Resource, Finance & General Purpose iii) Audit, Risk & Compliance Licence Renewal

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	To comply with International Award Licence standards	Implement Licence requirements	Carry out licence review exercise	
Pillar 4 Visibility	To increase the profile and visibility of PA-K	Develop communication s policy Develop Branding guidelines	PA-K Communication Policy PA-K branding guidelines in place	In progress PA-K Branding guidelines
Pillar 5 Sustainability	To expand PA-K resource base	Develop PA-K resource mobilisation strategy Operationalise PA-K Foundation	PA-K Resource mobilisation strategy in place PA-K Foundation operationalised	In progress In progress

CORPORATE GOVERNANCE STATEMENT

The Board of Trustees of PAK believes that high standards of corporate governance fostering a culture that values integrity and ethical behaviour are essential for sustainable long-term performance and creating shareholder value. The Board has established a corporate governance framework, the key features of which are set out in this Corporate Governance Statement.

The Board of Trustees is responsible for the governance framework which operates under Board-approved policies and practices. The governance framework and associated practices are reviewed by the Board and its committees to ensure it complies with current regulations.

Role and Responsibilities of Trustees and Management

The President's Award Act, 2017 provides that the affairs of the organisation are to be managed under the direction of the Board. The Board of Trustees are responsible for the overall strategy, governance and performance of PA-K and delegates responsibility for the day-to-day management of PA-K to the C.E.O. The Chief Executive Officer in turn delegates authority to the appropriate senior managers for specific activities and transactions, including implementation of the corporate strategy and operating within the risk appetite set by the Board. This authority is governed by a formal delegation of authority that is approved by the Board and is reviewed as required.

Attendance to Board meetings by Board members

Members are expected to attend all Board meetings except with the permission of the Chairman. Failure to attend three consecutive Board meetings without chairman's permission may lead to removal from office.

No of meetings held during the FY 2019/20 are as follows:

Meetings held	No of meetings
Full Board meetings	6
Board Committee meetings	8

The Board Charter

The Board of Trustees developed and approved the PA-K Board Charter, 2020 that governs its operations as stipulated by *Mwongozo*, the Code of Governance for State Corporations 2015.

Trustee's Skills and Experience

The Board's objective is to have an appropriate mix of skills, expertise and experience on PA-K's Board and Board committees. The Board as currently constituted draws a membership from wide sections of the society. Accordingly, the Board is also represented by representatives from all major stakeholders making the Board highly qualified to attend to all matters regarding the Award.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Succession plan

The succession plan at the Board level involves notifying the Appointing Authority when the term of the Board is coming to an end. At the management level PA-K succession planning process, is to ensure that employees develop their knowledge, skills, and abilities, and prepare them for advancement or promotion into ever more challenging roles.

Appointment and removal of Board members

Board members are appointed by the Cabinet Secretary in charge of Education. Vacation of office of Board members is provided for in provisions of the President's Award Act, 2017 as well as Mwongozo, the code of Governance for State Corporation, 2015.

Conflict of Interest

The Board maintains a conflict of interest register where Board Members are required to register and declare any conflict of interest in the course of Board business. The Member is not allowed to participate in decision making on matters where there he /she has conflict of interest.

The entity's Board of Trustees was gazetted and contained in Kenya Gazette Notice Vol. CXXI – No. 34 dated 22 March 2019 vide Gazette Notice No. 2579 and 2571.

The following are the President's Award – Kenya approved Board Committees;

- i) Technical Committee
 - a) Sylvia Mulinge – Chair person
 - b) Edwin Otieno
 - c) Sachen Chandaria

- ii) Human Resource, Finance and General Purpose Committee
 - a) Sachen Chandaria- Chair person
 - b) Godfrey Busolo
 - c) Edwin Otieno
 - d) Veronica Birgen

- iii) Audit, Risk and Compliance Committee
 - a) Susan Omanga- Chair person
 - b) Kennedy Kihara
 - c) Prof. Eric Ogur
 - d) Godfrey Busolo

The gazetted Boards' operations are guided by the President's Award Act, 2017, the State Corporation's Act as well as Mwongozo in its undertakings.

MANAGEMENT DISCUSSION AND ANALYSIS

The President's Award – Kenya's broad strategy is to support young people to contribute significantly to national development priorities; plug into key national youth development processes; build its resource base, and devolve its structures to be closer to its youth constituencies at regional and county levels.

The entity was able to achieve some of its broad strategies reported on young people's contributions to national development through the President's Delivery Unit (PDU). Young people participated in community service, a mandatory section in the Programme, that provided an opportunity to contribute towards achieving Food Security at community level.

To strengthen its youth development delivery, the entity embarked on a project to acquire an outdoor training facility to equip young people with leadership and life-long skills and to inculcate core national values for responsible citizenship. These programs are geared towards building the character of young persons to enable them become responsible citizens in their communities, country and society in general.

THE OUTWARD BOUND SCHOOL

The Outward Bound Training Center is a government training facility which is used for training and team building activities for government and other corporate organizations. The school is located on a 30(thirty) acre piece parcel of land in Loitokitok, on the base of Mt. Kilimanjaro, 265km South East from Nairobi overlooking the expansive Maasai Plains of Southern Kajiado and world famous national parks of Tsavo and Amboseli.

The school has facilities that includes group tentage accommodation of up to 100 participants, four (4) bandas that accommodated 10 participants each, totaling to 40 participants, a guest house for 10(ten) participants, a hall for 40(forty) participants, a dining hall for 60 (sixty) participants, a swimming pool that is currently run down and staff houses.

The National Youth Service (NYS), through the Ministry of Public Service, Youth and Gender Affairs embarked on an upgrade of the Outdoor facility on behalf of the President's Award – Kenya. The upgrade works involved renovating the structures, constructing an obstacle course as well as drilling a borehole. The National Youth Service moved from the site in April 2018. The upgrade works, however, not fully completed, the facility provides an opportunity for groups especially young people to utilize the facility. The President's Award – Kenya is expected to equip the facility, however this awaits the finalization of the agreement framework between the President's Award – Kenya and current management of the facility under the Outward Bound Trust – Kenya.

NEW ENTRANTS

The Programmes participation levels have been increasing gradually over the years. The programme has enhanced its reach and currently delivers the Award in 41 counties across the country. The Programme has diversified the categories of young people it reaches to include young people with disabilities, in difficult circumstances and in marginalized communities. The uptake of the Award on the online platform for the year 2019/2020 was 1,882 while manual record book registered 1,579 participants.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

AWARD ACTIVITIES

Gold Adventurous Journey



Award participants at Ngong Hills Forest on a Gold expedition tour. The outdoor activities develop young people's leadership and problem solving skills as well as an appreciation of nature.

Skills



“
The Award has prepared me for the world. I've learnt skills on crop production during the COVID-19 pandemic. I see myself being a successful farmer in future.

- GREGORY KIPCHIRCHIR -
Gold Award Participant

#WORLD
#READY

#YOUTH DAY

Gold level participant Gregory Kipchirchir undertaking farming in his Skill section in the Award Programme. Farming has benefitted his family as well as his community. He has raised interest among his peers in pursuing farming as an income generating activity.

EGERTON



UNIVERSITY

www.egerton.ac.ke

CONGRATULATIONS

I wish to take this opportunity, on behalf of Egerton University, to congratulate two of our students who have excelled locally and internationally in the President's Award-Kenya.

- 1) Mr. Gregory Kipchirchir, a third-year Bachelor of Agribusiness Management student at Egerton University, has been selected to represent the President's Award – Kenya at the Duke of Edinburgh's International Award. He is among four other contestants from Canada, Czech Republic, and Indonesia nominated for this year's award.
- 2) Miss Jane Mwendemwanzia, a second-year Bachelor of Education student was recently identified to speak at the Global Award Fellows Dinner. The dinner is an annual event held in honour of World Fellows (WF) for their continued support of the Award globally.

As we congratulate the two students, I urge all our students to keep safe and positively engage with communities as we endure the COVID-19 pandemic.

Prof. Rose A. Mwonya

VICE-CHANCELLOR

"Transforming Lives through Quality Education"

www.egerton.ac.ke

The aim of the Award is to build young people's character to enable them become responsible citizens in their communities, country and society in general. The Award facilitates young people to be ready for a new 'normal'.

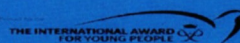
Community Service



READY TO HELP THE WORLD.



THE PRESIDENT'S AWARD - KENYA



THE INTERNATIONAL AWARD
FOR YOUNG PEOPLE

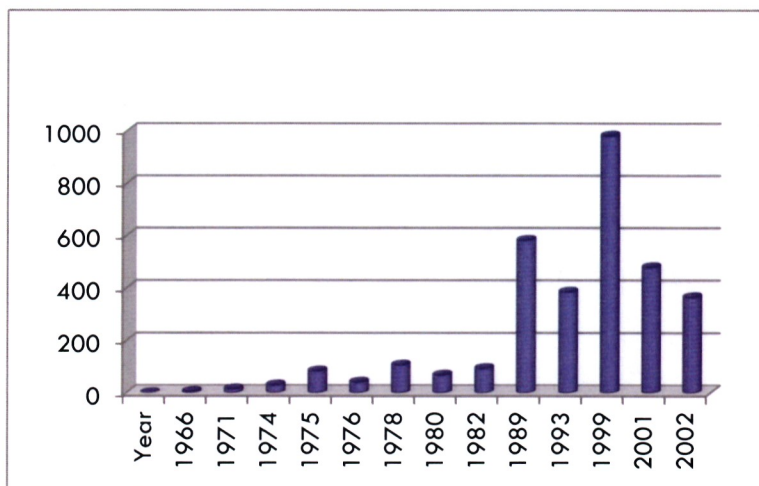
**#WORLD
READY**

Award participants planting vegetation in their school community. One of the Big 4 agenda items encourages citizens to contribute to environmental conservation.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

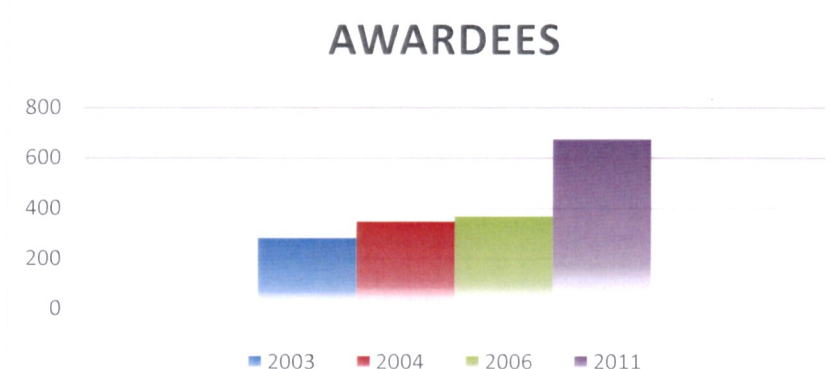
GOLD AWARDEES 1966-2002

Year	Awardees
1966	5
1971	15
1974	30
1975	83
1976	41
1978	106
1980	68
1982	93
1989	581
1993	384
1999	981
2001	478
2002	364



GOLD AWARDEES 2003 TO 2011

YEAR	AWARDEES
2003	283
2004	349
2006	369
2011	675



GOLD AWARDEES 2011 TO 2020

Year	Awardees
2011	675
2012	426
2013	721
2014	958
2015	1072
2016	1182
2018	1205
2019	1601
2020	1683



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

President's Award-Kenya Special Projects



Project Mrembo:- Kisima Girls High School (Samburu County) participants learning map reading and Navigations in preparation during an adventurous Journey.

CORPORATE SOCIAL RESPONSIBILITY (CSR)



Award Participants from United State International University (USIU) preparing grounds for the construction of a classroom at Machakos Institute for the Blind. Over 50 projects are undertaken annually by different institutions across the country ranging from environment conservation, construction, awareness campaigns on youth development issues including conflict resolution and health care as well as contributing to the Big 4 Agenda.

REPORT OF THE BOARD OF TRUSTEES

The Trustees submit their report and financial statements for the year ended June 30, 2020 which show the state of The President's Award - Kenya affairs.

Principal activities

The principal activities of the entity are equipping young people with positive life skills to make a difference for themselves, their communities, country and the world.

Results

The results of the entity for the year ended June 30, 2020 are set out on page 1 to 7

Trustees

The members of the Board of Trustees who served during the year are shown on page v-vii

Auditors

The Auditor General is responsible for the statutory audit of The President's Award - Kenya in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board of Trustees



Nellie Munala

CHIEF EXECUTIVE OFFICER

Date: 17-09-2020

STATEMENT OF TRUSTEES RESPONSIBILITIES

Section 81 of the Public Finance Management (PFM) Act, 2012, section 14 of the State Corporations Act and The President's Award Act, 2017 No. 30 of 2017 require the Trustees to prepare financial statements in respect of The President's Award - Kenya, which give a true and fair view of the state of affairs of the organization at the end of the financial year and the operating results of the organization for that year. The Trustees are also required to ensure that the organization keeps proper accounting records which disclose with reasonable accuracy the financial position of the organization. The Trustees are also responsible for safeguarding the assets of the organization.

The Trustees are responsible for the preparation and presentation of The President's Award - Kenya financial statements, which give a true and fair view of the state of affairs of the organization for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting year; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the President's Award - Kenya ; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Trustees accept responsibility for the organization's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act).

The Trustees are of the opinion that the President's Award - Kenya financial statements give a true and fair view of the state of organization's transactions during the financial year ended June 30, 2020, and of the organization's financial position as at that date. The Trustees further confirm the completeness of the accounting records maintained for the organization which have been relied upon in the preparation of the organization's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Trustees to indicate that the President's Award - Kenya will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The President's Award - Kenya's financial statements were approved by the Trustees on

17. SEPT 2020 and signed on its behalf by:



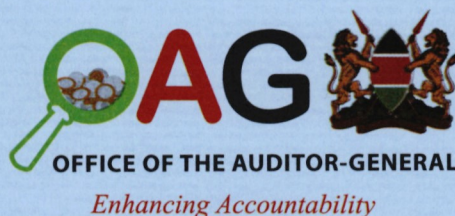
Dr. (Fr.) Wakimani Wamugunda D.
CHAIRMAN, BOARD OF TRUSTEES



Nellie Munala
CHIEF EXECUTIVE OFFICER

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON THE PRESIDENT'S AWARD-KENYA FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of The President's Award-Kenya set out on pages 1 to 23, which comprise of the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of The President's Award-Kenya as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the President's Award Act, 2017 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of The President's Award-Kenya Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There are no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Board of Trustees

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Award's ability to continue to sustain its services, disclosing, as applicable, matters

related to sustainability of service and using the applicable basis of accounting unless Management is aware of the intention to terminate the Award or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Trustees is responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Award monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit 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 my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Award's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable 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 Award's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Award to continue to sustain its services.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Award to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

22 November, 2021

The President's Award Scheme operating as The President's Award - Kenya
Annual report and financial statements
For the year ended June 30, 2020

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED JUNE 30, 2020

	Notes	2019-2020	2018-2019
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments – gifts and services-in-kind	5	60,000,000	39,400,000
Grant Income	6	-	972,600
Licenses	7	630,000	1,220,000
Deferred Income	8	1,238,856	1,651,808
Other Income	9	275,500	30,000
Sub Total		62,144,356	43,274,408
Revenue from exchange transactions			
Sale of Goods	10	1,921,800	4,253,250
Rental Income from Regional office	11	583,446	1,139,106
Interest Income	12	6,129,365	8,056,286
Sub Total		8,634,611	13,448,642
Total revenue		70,778,967	56,723,050
Expenses			
Programme Development Costs	13	4,783,303	5,143,213
Employee costs	14	16,454,329	11,897,403
Provision for Gratuity	15	987,779	1,306,070
Board expenses	16	4,286,418	-
Depreciation and amortization expense	17	2,097,510	1,911,739
Repairs and maintenance	18	7,947,489	483,937
Grants and Transfers to other Institutions	19	65,000	2,476,370
General Expenses	20	5,268,842	8,614,209
Provision For Audit Fees	21	350,000	-
Total expenses		42,240,670	31,832,941
Surplus for the year		28,538,297	24,890,109

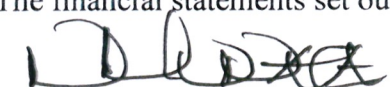
The notes set out on pages 7 to 22 form an integral part of these Financial Statements

The President's Award Scheme operating as The President's Award - Kenya
Annual report and financial statements
For the year ended June 30, 2020

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Notes	2019-2020	2018-2019
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	22	201,181,191	68,302,188
Rent receivable	23	600	3,593,166
Other financial assets	24	-	106,595,665
Inventories	25	305,424	-
Accrued Interest on call deposit	26	574,795	-
		202,062,010	178,491,019
Non-current assets			
Property, plant and equipment	29	9,520,677	12,714,981
Total assets		211,582,687	191,206,000
Liabilities			
Current liabilities			
Trade and other payables	27	8,000	3,922,979
Non-current liabilities			
Provision Retirement benefit obligation	28	1,388,541	4,746,316
Provision for Audit fees	21	350,000	
Total liabilities		1,746,541	8,669,295
Fund Balances			
Surplus/Deficit Reserves		201,681,243	173,142,946
Capital Fund		8,154,903	9,393,759
Total Fund Balances		209,836,146	182,536,705
Total funds and liabilities		211,582,687	191,206,000

The financial statements set out on pages 1 to 6 were signed on behalf of the Board of Trustees by:



Nellie Munala
Chief Executive Officer

Date... 17.09.2020



Grace Musyoka
Finance Officer

ICPAK No 24686
Date... 17.09.2020



Dr. (Fr.) Wakimani Wamugunda D.
Chairman, Board of Trustees

Date... 17/09/2020

The President's Award Scheme operating as The President's Award - Kenya
Annual report and financial statements
For the year ended June 30, 2020

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020

	Surplus/Deficit Reserve	Capital Fund	Total
	KShs	KShs	KShs
At July 1, 2018	148,252,837	11,045,567	159,298,404
Surplus for the year	24,890,109	-	24,890,109
Transfer to income	-	(1,651,808)	(1,651,808)
At June 30, 2019	173,142,946	9,393,759	182,536,705
At July 1, 2019	173,142,946	9,393,759	182,536,705
Surplus for the year	28,538,297		28,538,297
Transfer to income		(1,238,856)	(1,238,856)
At June 30, 2020	201,681,243	8,154,903	209,836,146

Note:

Capital fund - these are assets donated to The President's Award - Kenya realised in the income statement over their useful life.

The President's Award Scheme operating as The President's Award - Kenya
Annual report and financial statements
For the year ended June 30, 2020

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	Notes	2019-2020	2018-2019
		Kshs	Kshs
Profit for the Year		28,538,297	24,890,109
Adjustments To Profit For Non-Cash Items			
Less Deferred Income	8	(1,238,856)	(1,651,808)
Less Depreciation	17	(2,097,510)	(1,911,739)
ADJUSTED PROFIT		25,201,931	21,326,562
CASH FLOWS FROM OPERATING ACTIVITIES			
(Increase)/Decrease in Rent Receivable		3,592,566	(1,139,106)
Increase/(Decrease) in rent received in advance			
(Increase)/Decrease in other financial assets		106,595,665	(20,354,620)
(Increase)/Decrease in inventory		(305,424)	-
Increase/(Decrease) in Trade and other payables		(3,914,979)	2,667,102
Increase/(Decrease) in Retirement Benefits		(3,357,775)	1,306,070
Increase/(Decrease) in Audit Fees		350,000	-
(Increase)/ Decrease in Accrued interest		(574,795)	-
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		102,385,258	3,806,008
CASH FROM INVESTING ACTIVITIES			
(Increase)/Decrease In Property Plant and Equipment		5,291,814	3,823,478
TOTAL CASH FROM INVESTING ACTIVITIES			
CHANGES IN CASH DURING THE YEAR		132,879,003	7,629,486
CASH AT THE BEGINNING OF THE YEAR	22	68,302,188	60,672,702
CASH AT THE END OF THE YEAR	22	201,181,191	68,302,188

The President's Award Scheme operating as The President's Award - Kenya
Annual report and financial statements
For the year ended June 30, 2020

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2020

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Performance Difference	Explanation of material variances
	2019/20	2019/20	2019/20	2019/20	2019/20		
Revenue	KShs	KShs	KShs	KShs	KShs	%	
Government Transfers	60,000,000	-	60,000,000	60,000,000	-	-	
Licenses	2,000,000	-	2,000,000	630,000	(1,370,000)	68.5	(a)
Sale of Goods	5,500,000	-	5,500,000	1,921,800	(3,578,200)	65.1	(b)
Rental Income	4,176,012		4,176,012	583,446	(3,592,566)	86	
Other Income	34,477,656	-	34,477,656	6,404,865	(28,072,791)	81.4	
Total Income	106,153,668		106,153,668	69,540,111	-		
Expenses							
Employees Costs	27,321,044	-	27,321,044	17,442,108	9,878,936	36.1	(c)
Board Expenses	10,000,000		10,000,000	4,286,418	5,713,582	57.1	(d)
Program Development Cost	50,399,796		50,399,796	4,783,303	42,288,739	83.9	(e)
Grants and Transfers to other Institutions	-	-	-	65,000	(65,000)	0	
Goods and Services	18,432,828		18,432,828	13,216,331	257,833	1.4	
Total Expenditure	106,153,668		106,153,668	39,793,160	-	-	
Surplus For The Period				29,746,951			

**The President's Award Scheme operating as The President's Award – Kenya
Annual report and financial statements
For the year ended June 30, 2020**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2020 (CONTINUED)**

BUDGET NOTES

- a) Licences – Closure of schools during the year resulted to less payment of licence fees by institutions
- b) Sale of goods-Closure of schools led to less enrolment of participants
- c) Employee costs- Costs for interns budgeted for in the year were met by Public Service Commission and Pension for PA-K staff was not paid in the year since the approval process of staff establishment documents had not been completed by closure of the year.
- d) Board expenses-Medical expenses, induction costs were less than projected and visits to schools were not able to be achieved as planned as a result of their closure.
- e) Programme development costs-Outdoor activities and trainings planned for the third and fourth quarter could not be carried out as a result of closure of schools.

RECONCILIATION BETWEEN THE SURPLUS AS PER THE BUDGET AND AS PER STATEMENT OF FINANCIAL PERFORMANCE

DESCRIPTION	SURPLUS (KShs)
Surplus under statement of financial performance	28,538,297
Surplus under the statement of budgeted and actual amounts	29,746,951
Difference	1,208,654

Explained by:

Deferred income	(1,238,856)
Provision for audit fees	350,000
Depreciation expense in the financial statement	2,097,510
Total	1,208,654

The difference between surplus as per statement of budget and actual amounts and as per the statement of financial performance arises from basis differences. This is because the statement of budget and actual amounts is prepared under the cash basis while the statement of financial performance is prepared using accrual basis of accounting.

**The President's Award Scheme operating as The President's Award – Kenya
Annual report and financial statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The President's Award - Kenya is established by and derives its authority and accountability from The President's Award Act, No.30 of 2017. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activities are equipping young people with positive life skills to make a difference for themselves, their communities, country and the world.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed on note 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the entity.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the President's Award Act, 2017, Mwongozo and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Development/capital grants are recognized in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

Grant income

These are receipts from International donors. The funds are recognized on receipt.

Licences

The entity recognizes revenues from licences paid by institutions to carry out the award programme. The funds are recognized on accrual basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Revenue recognition (continued)

i) Revenue from non-exchange transactions (continued)

Transfer from capital fund

The amounts include capitalization of assets that were donated to President's Award - Kenya by the Government of Kenya. The amounts are realised in the statement of financial performance over their useful life.

ii) Revenue from exchange transactions

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for the financial year 2017-2018 was approved by the board of trustees on 23 March 2018. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget information (continued)

The original budget for the financial year 2017-2018 was approved by the board of trustees on 23 March 2018. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

The organization's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 6 of these financial statements.

c) Taxes

The President's Award - Kenya is a non – commercial state corporation that receives substantial revenue from non – exchange transactions (especially from the National Government in form of transfers and grants) and therefore income tax has not been provided for in the financial statements. However, other taxes accruing from employees are recovered through the payroll and remittances filed as appropriate.”

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Property, office and other equipment

All property, office and other equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, office and other equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, office and other equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of financial performance. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Buildings are not depreciated. Depreciation on all other assets is calculated on the straight line basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

Motor vehicles	25% Per annum
Furniture and fittings	12.5% Per annum
Computers	30% Per annum
Property, office and other equipment	12.5% Per annum

e) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 financial instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the organization has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in the statement of financial performance.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Provisions

Provisions are recognized when the organization has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

g) Changes in accounting policies and estimates

The organization recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

h) Employee benefits

Retirement benefit plans

PA-K provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged in the statement of financial performance in the year in which they become payable.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Kenya Commercial Bank at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests to authorised public officers which were not surrendered or accounted for at the end of the financial year.

j) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The organization based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the organization. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the organization
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Provisions

Provisions are raised and management determine an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 28. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

5. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of PA-K sending the grant	Amount recognized to Statement of Financial Performance	Amount deferred under deferred income	Amount recognised in capital fund	Total grant income during the quarter	Cumulative transfers to date	2018/2019
	KShs	KShs	KShs	KShs	KShs	KShs
Ministry of Education	40,000,000	-	-	40,000,000	40,000,000	19,800,000
Ministry of Public Service, Youth and Gender Affairs	20,000,000	-	-	20,000,000	20,000,000	19,600,000
Total	60,000,000	-	-	60,000,000	60,000,000	39,400,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. GRANT INCOME

Description	2019/2020	2018/2019
	KShs	KShs
Unconditional grants		
World fellow	-	972,600
Total government grants and subsidies	-	972,600

7. LICENCES

Description	2019/2020	2018/2019
	KShs	KShs
Licence fees from Award Centres	630,000	1,220,000
Total other income	630,000	1,220,000

8. DEFERRED INCOME

Description	2019/2020	2018/2019
	KShs	KShs
Transfer from capital fund	1,238,856	1,651,808
Total deferred income	1,238,856	1,651,808

9. OTHER INCOME

Description	2019/2020	2018/2019
	KShs	KShs
Miscellaneous income - Exchange Programme (Source)		30,000
Fundraising Activities	275,500	
Total other income	275,500	30,000

10. SALE OF GOODS

Description	2019/2020	2018/2019
	KShs	KShs
Manual record books	809,400	2,652,250
Online record books	1,111,500	1,541,000
T-Shirts	-	51,600
Badges	-	6,900
Bucket hats	900	1,500
Total sale of goods	1,921,800	4,253,250

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. RENTAL INCOME – REGIONAL OFFICE (AFRICA)

Description	2019/2020	2018/2019
	KShs	KShs
Opening balance	3,593,166	2,454,060
Rental income receivable during the year	583,446	1,139,106
Total amount Due	-	
Rent payment received during the quarter/year	(4,176,012)	-
Closing Balance (Prepayment)/ Due	600	3,593,166

12. INTEREST INCOME

13. Description	2019/2020	2018/2019
	KShs	KShs
Interest income from investments in treasury bills	3,830,185	8,056,286
Interest income from call deposits	1,724,385	-
Accrued Interest	574,795	-
	6,129,365	8,056,286

NB

FY2018/2019 includes interest amounting Kshs.1,062,075 and FY 2019/20 includes KShs.153,278 for the PA-K Foundation

13. PROGRAMME DEVELOPMENT COSTS

Description	2019/2020	2018/2019
	KShs	KShs
Africa Regional Conference expenses	675,892	1,454,172
Gain Conference Expenses	1,250,205	-
Award day preparation costs		299,492
Volunteer meals and transport	213,800	86,624
Induction of coordinators	426,140	42,200
National and regional visits	85,330	-
Validation expenses	277,930	-
Monitoring and evaluation	776,250	-

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Training	60,876	139,917
World Ready Campaigns	28,000	30,500
Outward Bound Expenses	70,000	296,000
Printing of certificates and forms	96,367	2,707,808
Badges and Handbooks	676,000	-
Covid 19 expenses	146,513	-
Other Programme development costs	-	86,500
Total programme development costs	4,783,303	5,143,213

14. EMPLOYEE COSTS

15. Description	2019/2020	2018/2019
	KShs	KShs
Salaries and Wages	12,809,712	8,374,830
Staff medical expenses	2,657,402	2,160,832
Travel, motor car, accommodation, subsistence and other allowances	88,830	37,370
Staff subsistence allowance	230,600	12,000
Staff training	399,498	
DPSM consultancy costs-staff establishment	257,087	1,285,171
Professional membership fees	11,200	27,200
Total employee costs	16,454,329	11,897,403

15. GRATUITY

Description	2019/2020	2018/2019
	KShs	KShs
Gratuity provision during the year	987,779	1,306,070
Closing Balance	987,779	1,306,070

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. BOARD EXPENSES

Description	2019/2020	2018/2019
	KShs	KShs
Board induction expenses	1,349,500	-
Monthly honoraria	894,516	-
Sitting allowances	902,000	-
Board Paye	831,936	-
Medical cover	171,872	-
Telephone allowance	55,000	-
Other expenses	81,594	-
Total Board expenses	4,286,418	-

17. DEPRECIATION AND AMORTIZATION EXPENSE

Description	2019/2020	2018/2019
	KShs	KShs
Land and Building	-	-
Furniture and Fittings office and other equipment	197,373	140,967
Motor vehicles	1,238,856	1,651,808
Computers	661,281	118,964
Total depreciation and Amortization expense	2,097,510	1,911,739

NB: Calculation for depreciation has been explained on note 29

18. REPAIRS AND MAINTENANCE

Description	2019/2020	2018/2019
	KShs	KShs
Property	6,530,193	76,940
Equipment and machinery	57,480	6,890
Vehicles	1,341,816	387,807
Computers and accessories	18,000	12,300
Total repairs and maintenance	7,947,489	483,937

NB: The President's Award-Kenya incurred expenditure on Renovation of Buildings amounting Kshs. 6,495,213 in the year 2009 and 2010. This amount was erroneously capitalized in those respective years and has been carried forward over the years. The amount has been expensed in the FY 2019/2020 to rectify this anomaly.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. GRANTS AND TRANSFERS TO OTHER INSTITUTIONS

Description	2019/2020	2018/2019
	KShs	KShs
Special projects	-	214,600
Compass project	65,000	2,261,770
Total grants and transfers to other institutions	65,000	2,476,370

20. GENERAL EXPENSES

Description	2019/2020	2018/2019
	KShs	KShs
Printing and stationery	233,091	723,383
Courier	292,294	387,205
Postage	9,450	9,450
Insurance	12,877	
Hospitality expenses	326,234	151,440
Electricity	165,858	201,248
Fuel and oil	482,000	494,000
Hire of mobile toilet	-	300,000
Water	106,307	141,787
Security costs	1,136,520	1,516,430
Internet	604,396	550,676
Board Expenses	-	199,260
Email Hosting	46,600	40,600
Telephone	331,328	309,130
Prequalification and evaluation of tenders expenses	223,000	1,265,276
Annual budget expenses	577,700	-
Annual financial reporting	268,200	-
Office expenses	277,175	194,081
Bank charges	139,512	99,589
Bulk SMS	36,300	-
Legal fees	-	31,800
Strategic plan expenses		1,998,854
	5,268,842	8,614,209

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. PROVISION FOR AUDIT FEES

Description	2019/2020	2018/2019
	KShs	KShs
Opening Balance	-	-
Provision during the year	350,000	-
Closing balance	350,000	-

22. CASH AND CASH EQUIVALENTS

Description	2019/2020	2018/2019
	KShs	KShs
Current account	51,181,191	38,728,038
Call deposit	150,000,000	29,574,150
Cash in Hand	-	-
Total cash and cash equivalents	201,181,191	68,302,188

DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS

Description		2019/2020	2018/2019
	Account number	KShs	KShs
a) Current account			
Kenya Commercial Bank	1104068737	51,181,191	38,728,038
Sub- total		51,181,191	38,728,038
b) Call Deposit			
Kenya Commercial Bank	1104068737	150,000,000	29,574,150
Sub- total		150,000,000	29,574,150
Grand total		201,181,191	68,302,188

NB: This includes Kshs. 11,215,354 for the President's Award-Kenya Foundation.

23. RENT RECEIVABLE

Description	2019/2020	2018/2019
	KShs	KShs
Opening balance	3,593,166	2,454,060
Rental income receivable during the year	583,446	1,139,106
Rental income paid during the year	(4,176,012)	-
Closing balance	600	3,593,166

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. OTHER FINANCIAL ASSETS

Description		2019/2020	2018/2019
		KShs	KShs
Investment in treasury bills	Period		
CBK	182 days	-	106,595,665
Grand Total		-	106,595,665

25. INVENTORIES

Description	2019/2020	2018/2019
	KShs	KShs
Stationery Items and Consumables	305,424	-
		-
Grand total	305,424	-

26. ACCRUED INTEREST ON CALL DEPOSIT

Description	2019/2020	2018/2019
	KShs	KShs
Accrued interest for one month	574,795	-
		-
Grand total	574,795	-

27. TRADE AND OTHER PAYABLES

Description	2019/2020	2018/2019
	KShs	KShs
Trade payables	8,000	3,922,979
Grand total	8,000	3,922,979

28. PROVISION FOR RETIREMENT BENEFITS OBLIGATION

Description	2019/2020	2018/2019
	KShs	KShs
Opening Balance	4,746,316	3,440,246
Gratuity Accrued	987,779	1,306,070
Gratuity paid in the year	(3,534,397)	-
Pension paid in the year	(811,157)	
Closing Balance	1,388,541	4,746,316

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29. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Leasehold improvements	Furniture, fittings, office equipment	Motor vehicles	Computers	Total
Cost	KShs	KShs	KShs	KShs	KShs	KShs
At July 1, 2018		6,495,213	3,532,431	16,707,125	2,740,153	29,474,922
Additions	-	0	330,204	0	105,500	435,704
At June 30, 2019	-	6,495,213	3,862,635	16,707,125	2,845,653	29,910,626
Additions	2,879,511	0	592,220	0	1,926,688	5,398,419
At 30 th June 2020	2,879,511	6,495,213	4,454,855	16,707,125	4,772,341	35,309,045
Depreciation and Impairment						
At July 01, 2018	0	0	2,581,186	7,897,485	2,279,158	12,757,829
Depreciation	0	0	153,718	2,202,410	169,949	2,526,077
At June 30, 2019	0	0	2,734,904	10,099,895	2,449,107	15,283,906
Depreciation	0	0	140,967	1,651,808	118,964	1,911,739
At June 30, 2019	0	0	2,875,871	11,751,703	2,568,071	17,195,645
Depreciation	0	0	197,373	1,238,856	661,281	2,097,510
30 th June 2020			3,073,244	12,990,559	3,229,352	19,293,155
Net Book Values			0			
At June 30, 2018	0	6,495,213	1,127,731	6,607,230	396,546	14,626,720
At June 30, 2019		6,495,213	986,764	4,955,422	277,582	12,714,981
At June 30, 2020	2,879,511	0	1,381,611	3,716,566	1,542,989	9,520,677

30. FINANCIAL RISK MANAGEMENT

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and

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deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At June 30, 2020				
Receivables from exchange transactions	600		600	-
At June, 30, 2019				
Receivables from exchange transactions	3,593,166		3,593,166	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of trustees sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with PA-K's trustees, who have built an appropriate liquidity risk management framework for the management of the organization's short, medium and long-term funding and liquidity management requirements. The organization manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

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	Less than 1 month	Between 1-3 months	Over 5 months	Total
	KShs	KShs	KShs	KShs
At June 30, 2020				
Trade payables	-	8,000	-	8,000
Retirement benefits obligation	-	1,388,541		1,388,541
Other payables	-	-	-	-
Total	-	1,396,541	-	1,396,541
At June 30, 2018				
Trade payables	-	3,702,553	-	3,702,553
Retirement benefits obligation		-	4,746,316	4,746,316
Other payables	220,426			220,426
Total	220,426	3,702,553	4,746,316	8,669,295

31. EVENTS AFTER THE REPORTING PERIOD

There were no material adjusting and non - adjusting events after the reporting period.

32. ULTIMATE AND HOLDING ENTITY

The entity is a State Corporation/ or a Semi - Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

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APPENDIX I: INTER-ENTITY TRANSFERS

ENTITY NAME:		The President's Award - Kenya		
Breakdown of Transfers from other Governments				
FY 2019/20				
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	Indicate the FY to which the amount relate
	Ministry of Education	09/07/2019	10,000,000	2019/2020
		15/08/2019	7,500,000	2019/2020
		30/10/2019	7,500,000	2019/2020
		28/01/2020	7,500,000	2019/2020
		22/04/2020	7,500,000	2019/2020
		Total	40,000,000	
	Ministry of Public Service, Youth and Gender Affairs	09/08/2019	5,000,000	2019/2020
		14/11/2019	5,000,000	2019/2020
		09/01/2020	5,000,000	2019/2020
		21/05/2020	5,000,000	2019/2020
		Total	20,000,000	
		Grand Total	60,000,000	

Sign.....
 Nellie Munala
CHIEF EXECUTIVE OFFICER