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REPORT

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OF

THE AUDITOR-GENERAL

ON

KENYA YEARBOOK EDITORIAL BOARD

**FOR THE YEAR ENDED
30 JUNE, 2022**



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KENYA YEARBOOK EDITORIAL BOARD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2022

Kenya Yearbook Editorial Board
Annual Report and Financial Statements
For the year ended June 30, 2022.

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Kenya Yearbook Editorial Board
Annual Report and Financial Statements
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1. Key Information and Management

(a) Background information

The Kenya Yearbook Editorial Board (KYEB) was established in 2007 under the Ministry of ICT, Innovations and Youth Affairs vide legal notice No.187/2007. The subsidiary legislation, known as the Kenya Yearbook Order, 2007 was made under section 3(i) of State Corporation Act, Cap 446 Laws of Kenya.

(b) Principal Activities

KYEB's objectives and principal activities are to: -

1. Research and publish the most comprehensive Yearbook in Africa;
2. Benchmark the Kenya Yearbook with the best yearbooks in the world;
3. Convey in the Yearbook the immense resources possessed by Kenya and the potential still to be tapped;
4. Publish special publications highlighting Kenya's historical experience such as the Kenya Cabinets since independence.
5. Research and publish books on contributions of different individuals /groups in Kenya; and
6. Compile and publish sector-specific books and smaller editions of the Yearbook for key sectors such as Agriculture, Tourism, and Health aligned to the Government's Medium-Term Plans and Kenya Vision 2030.

Vision

Empowering the nation with reliable publications on Kenya.

Mission

To research, compile, publish and disseminate information on Kenya's Social, Economic and Political spheres.

Core Values

KYEB shall be guided by the following core values which provide an integrated focus towards enhancing provision of acceptable quality service;

1. **Team spirit** - KYEB staff will endeavour to engage colleagues rationally and genuinely in an attempt to find common direction that will enhance public trust
2. **Creativity and innovativeness** - KYEB is committed to innovation, inventiveness, resourcefulness, visionary planning and service delivery.
3. **Efficiency and effectiveness**—KYEB will strive to use minimal resources to achieve maximum results in service delivery
4. **Good corporate governance** - KYEB will conduct its business in a more open manner, upholding high levels of uprightness
5. **Excellence and professionalism** - KYEB will demonstrate highest level of competence, efficiency and ethical values in realising its goals.

- (c) **Reliability** – KYEB will strive to ensure comprehensive feedback mechanism is in place and strive to deliver as per the expectations of all stakeholders.

(d) Key Management

KYEB day-to-day management is under the following key organs:

1. Board of Directors
2. Chief Executive Officer and management

KEY INFORMATION AND MANAGEMENT (Continued)

(e) Fiduciary Management

The key management personnel who held office during the financial year ended June 30, 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Mr. Edward Mwasi
2.	Finance Manager	CPA Ms Susan Naitore
3.	Production Manager	Mr Elijah Muli
4.	Editorial Manager	Mr. Peter Okong'o

(f) Fiduciary Oversight Arrangements;

The Board of Directors is able to carry out its fiduciary activities through oversight arrangements assisted by the committees of the Board, namely;

1. Finance;
2. Strategy and Monitoring;
3. Human Resource and Administration; and
4. Audit.

(g) KYEB Headquarters

P.O. Box 34035
NHIF Building 4th Floor
Ragati Road
Nairobi, KENYA

(h) KYEB Contacts

Telephone: (254) 20 271 5390
E-mail: info@kenyayearbook.go.ke
Website: www.kenyayearbook.go.ke

(i) KYEB Bankers

Kenya Commercial Bank
Capitol Hill Branch
P.O. Box 30012-00100
Nairobi, Kenya
Account No. **1112214119**
1198589167

(j) Independent Auditors




Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya.

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KEY INFORMATION AND MANAGEMENT *(Continued)*




- (k) Principal Legal Adviser**
The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

2. The Board of Directors

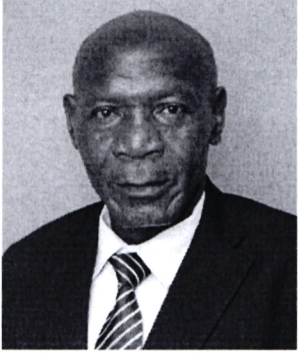

Passport –Size Photo & Name	Designation	Key Profession /Academic Qualification	Date of Birth, Key Qualification and work experience
 Eng. Sammy Tangus	Chairman KYEB	BSC. Civil Engineering University of Nairobi	Born in 1966, Eng. Tangus is a member of the Engineers Board of Kenya (EBK) and a Corporate Member of the Institute of Engineers of Kenya (IEK). He has worked in government, private and international bodies; gathering experience in administration & technical matters.
 Mr. Edward Mwasi	Chief Executive Officer	BA (Design). University of Nairobi	A publishing Expert, Mr. Mwasi has over 20 years' experience in Graphic Design He is currently the Chief Executive Officer of Kenya Yearbook Editorial Board after a stint as the Production Manager. He also worked at Nation Media Group as Chief Graphic Designer, and was the Creative Director of Kenwide Media Advertising Ltd.
 Mr. Wilson Kipkazi	Independent Director KYEB	Mr. Kipkazi holds a BA (Hons) degree in Community Development and Resource Mobilization, Graduate Diploma Community Development and a Certificate in Resource Mobilization and Fund-Raising techniques	Mr. Kipkazi was born on 25/4/1965. He is the Executive Director/Board Secretary of Endorois Welfare Council-Kenya. He has also been a Chairman /Commissioner Poverty Eradication Commission (2008-2015) and Director Kenya. Cooperative Creameries (2004-2006). He worked for Kenya Commercial Bank Group (Loans & Cash (1989-2001) and was a Chairman of the Kenya Bankers Savings and Credit Cooperative Society (1996-2001). He also worked for the Kenya Accountants and Secretaries


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			National Examination Board (KASNEB) (1988-1989).
 <p>Ms. Nemaïsa Kiereini</p>	<p>Independent Director KYEB</p>	<p>Ms. Kiereini holds Bachelor of Science degree in Information Systems and technology with a concentration in networking from USIU, an MBA in strategic management together with a Public Policy certificate from the Strathmore Business School.</p>	<p>Ms. Nemaïsa Kiereini was born on 5/3/1979, She has worked within the BMO sector since 2013. Her key areas of focus have been in advocacy, communications, donor management strategic partnerships and membership development. She is currently an independent consultant in Trade and Investment. Ms Nemaïsa’s immediate past previous roles include: - Deputy Chief Executive Officer at the Kenya National Chamber of Commerce and Industry, Head of Advocacy and Communication at KEPSA, and has managed different departments and regions in KEPSA, Telkom Orange, Zain and Celtel Kenya.</p>
 <p>Mr. Timothy Odongo</p>	<p>Independent Director KYEB</p>	<p>Mr Odongo holds MBA in marketing strategy, Chattered Marketing Postgraduate Diploma (CIM) and an Advanced Diploma in Business Administration (ABE)</p>	<p>Born on 8th December 1979, Mr Odongo is currently the Manager Business Hub, KEPSA. He previously worked as Senior Marketing Officer, Roberts Insurance Brokers and a National Blood Donor Recruiter, National Blood Transfusion Service.</p>

 <p>Mr. Joseph Mulei Muia</p>	<p>Ministry of ICT, Innovations & Youth Affairs State; Department for Broadcasting and Telecommunications.</p> <p>Alternate Director</p>	<p>B.A. Communications Degree (Public Relations (Major), Business Administration (Minor)), Daystar University</p>	<p>Mr Muia was born on 14th April 1969. He is currently the Director, Directorate of Public Communications at the Ministry of ICT, Innovations and Youth Affairs. He has wealth of experience as a communications expert spanning over 20years in various Ministries and departments e.g., Tourism & wildlife, Health, Environment, water & natural resources and Transition Authority.</p>
 <p>Mr. Peter Mwaura Igogo</p>	<p>Ministry of Interior and Co-ordination of National Government.</p> <p>Alternate Director</p>	<p>Mr Igogo is pursuing Master's Degree in Leadership Management. He holds Bachelor's Degree in Journalism; Diploma in Journalism KIMC; Indian Institute of Mass Communication.</p>	<p>Born on 6/10/1960, Mr Igogo has over 30 years' experience in the public service running from 1985 to date. He has served as district information officer in Kitui, Meru, Nyeri and Machakos counties and a public communication officer in the ministries of special programme, Defence and State Department of Interior.</p>
 <p>Ms. Nancy Murega</p>	<p>Ministry of Interior and Co-ordination of National Government, State Department for Interior and Citizen Services.</p> <p>Alternate Director</p>	<p>Ms Murega holds a BA in Anthropology. And a Master's Degree in Public Administration and Policy Analysis.</p>	<p>Born on 15/4/1974, Ms Murega has 19 years services as National Government Administrative Officer.</p>
	<p>Ministry of Education, State Department for Early Learning and basic Education.</p>	<p>Mr. Buhere holds a Master's Degree in Communication Studies and Bachelor of Arts</p>	<p>Mr. Buhere was born on 9/10/1964. He is the Assistant Director, Public Communication; Ministry of Education, Science and Technology, Kenya</p>

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 <p>Mr. Kennedy Buhere</p>	<p>Alternate Director</p>	<p>Degree in Government and Literature from the University of Nairobi. He also holds a Post Graduate Diploma in Journalism and Communications from the Kenya Institute of Mass Communications</p>	
 <p>Mr. Hezekiah Okeyo</p>	<p>Ministry of Industrialisation, Trade and Enterprise Development, State Department of Industry and Enterprise Development.</p> <p>Alternate Director</p>	<p>Mr. Okeyo holds Master's Degree in Business Administration (Strategic Management) from the Eastern and Southern African Management Institute (ESAMI), Arusha, Tanzania (2012) and Master of Science Degree in Environmental Science & Technology from UNESCO-IHE Delft, The Netherlands (2002), and Bachelor of Science Degree in Chemistry (2nd Class Honours, Upper Division) from the University of Nairobi Kenya (1989).</p>	<p>Born on 28/3/1963, Mr Okeyo is the Director of Industries in charge of Vision 2030 Manufacturing Sector Delivery at the Ministry of Industrialisation, Trade and Enterprise Development; member of the Inter-Ministerial Committee on the Development of a National Green Economy Strategy and Implementation Plan; Project Manager of the DANIDA Business Sector Programme Support (BSPS), 2006-2012; Task Manager/ Coordinator for the formulation of Kenya Private Sector Development Strategy (PSDS) and its Project Implementation Plan (PIP) 2007-2011; Working Committee on Regulatory Reforms for Business Activity in Kenya established and gazetted (Kenya gazette Notice No. 7321 of 23.9.2005) by the Minister for Finance to facilitate the Regulatory Reforms on Business Licensing in Kenya and member of the United Nations Environment Programme (UNEP) Technical</p>

			Options Committee (TOC) of the Technology & Economic Assessment Panel (TEAP) under the Montreal Protocol on Substances that deplete the ozone layer.
 <p>Mr David Wambete</p>	<p>The National Treasury and Planning.</p> <p>Alternate Director</p>	<p>Mr. Wambete holds a Masters' degree in Economic Policy Management from Makerere University (Uganda), and Bachelors' degree in Economics from Moi University. He also has a Certificate in Project Appraisal and Risk Management from Duke Centre for International Development (USA) He is undertaking a Certified Public Accountant (CPA) course</p>	<p>Mr Wambete is currently a Principal Finance Officer in the National Treasury. He previously worked as a District Development Officer responsible for the district's overall development planning. Specifically, oversaw programmes and projects implementation in Constituency development (Constituency Development Fund), poverty eradication (Poverty Eradication Commission), Millennium Development Goals, and HIV/AIDS management among others. Courses attended include: Policy, programmes and project management; Results based monitoring and evaluation; Transboundary resources management; Quality management systems; Performance management; Urban planning for developing countries; and Senior management course.</p>

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3. Management Team

Name	Designation	Key Profession / Academic Qualification	Key Qualification and work experience
 Mr. Edward Mwasi	Chief Executive Officer	Mr. Edward Mwasi holds a Bachelor of Arts (Design) degree from the University of Nairobi.	He is the Chief Executive Officer .
 CPA Ms Susan Naitore	Finance Manager	CPA Ms Susan Naitore holds a Master of Science in Development Finance degree from KCA university, Bachelor of Business Management degree (Accounting Option) from Moi University and CPA (K). She is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) in good standing.	In charge of Finance and Accounts unit.
 Mr. Elijah Muli	Production Manager	Mr. Muli holds B.A (Design), from Nairobi University.	In charge of Production unit.
 Mr Peter Okong'o	Editorial Manager	Mr peter holds a B.A (English) Degree from Eastern Africa Baraton university and a post graduate, Journalism from University of Nairobi. He is a member of Media Council of Kenya (MCK) and Public Relations Society of Kenya (PRSK)	In charge of Editorial unit.

4. Chairman's Statement

In comparison to the previous year, when many institutions faced challenges as a result of the COVID-19 pandemic, things improved last year, albeit at a slower pace. The Kenya Yearbook Editorial Board (KYEB), like many other organisations, had to adapt to the new normal in order to stay afloat and fulfill its mandate to the Government of Kenya and its citizens.

During the Pandemic period, new alternative business models are already being integrated into the institution's business model. The outbreak appears to have accelerated decisions to implement new innovations. The concept of holding Board Meetings online, for example, has significantly increased attendance and quorum because members can attend meetings from remote locations and in good time as it minimises inconveniences associated with travel.

Extreme containment measures implemented by the government, such as curfews and work-from-home policies, which harmed productivity and social activities in the economy, may have triggered new ideas at the workplace. Employers are becoming more aware of employee productivity as opposed to the hands-free approach.

The Public Service Commission (PSC) is now collaborating with government agencies to ensure that the government gets good value for money. KYEB has already held sessions to build capacity, document processes, and develop tools to monitor performance.

Despite the challenges and the slow adaptation of employees to the new normal, the organisation has demonstrated its resilience and re-evaluated its business model to meet the new demands and priorities. Under the Digital Fast Strategy, the organisation has embraced the use of ICT to support remote working of the Board and staff members. Technology also improves information dissemination to a wider audience via various platforms.

The organisation has also expanded its alliances and created new digital communication strategies to disseminate information through collaborations with other MDAs that have capacity that KYEB lacks. KYEB, for example, has collaborated with the Postal Corporation of Kenya (PCK) to distribute a quarterly AgendaKenya newspaper to all Huduma Centres across the country. PCK charges a reasonable fee for its logistical services, and Huduma Centres distributes the publications free of charge through its centers.

KYEB continued to implement its 2019-2023 Strategic Plan, a document that proposes to significantly increase the organisation's output, which will result in a corresponding increase in the organisation's size and capacity. KYEB is currently putting in place new approved staff establishments and structures to deal with the increased responsibilities.

In addition, the year saw the development and streamlining of policies and structures in accordance with the new plan, as well as the creation of new revenue streams.

In terms of Corporate Governance, the board completed its annual Board evaluation exercise in the second quarter of the fiscal year 2021/22, ensuring that KYEB's efforts to deliver optimal performance are sustained. Several members' terms expired this year, and new ones were appointed. The new Directors are being inducted.

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Eng. Sammy Tangus
Chairman

5. Report of the Chief Executive Officer

The fiscal year 2021/2022 was just as active as the previous one. Despite the challenges of COVID 19 wreaking havoc around the world and institutions learning to survive in the new normal, it was an eventful year. This period was a blessing in disguise for KYEB, especially for the technical teams.

KYEB was able to re-engineer its operations in the process, through innovations and learning, to deliver its mandate in the shortest time possible, at a lower cost, and with higher-quality publications. This is evident from the number of publications launched and delivered during the fiscal year, as well as the number of interactions it had with the Kenyan public.

KYEB's activities were not unnoticed; its engagements with many other institutions through partnerships and collaborations are proof of the organisation's good work. KYEB has been invited to work with the highest office in the land on several occasions and has delivered on some very sensitive publications. To name a few, KYEB was approached to do President Mwai Kibaki's funeral programme, compile a book of the First Lady's speeches, the *Beyond Zero Report*, several other partnerships with various MDAs, and many more.

KYEB participated in the MTEF meetings last year to negotiate budgets. The team from the National Treasury recognized a lot of improvement within the organisation and the support that KYEB was giving the Government, which I would like to share. To quote the Director of Budget, KYEB is an example of an institution that has risen from humble beginnings with meagre budgets to greater heights by utilizing its allocated funds efficiently and effectively.

This excellent work was not unnoticed. KYEB's Performance Contract (PC) scoring has steadily improved. The institution rose from 72 to 43 in the most recent period. KYEB was ranked 15th in the service category, up from position 24 the previous year. KYEB was ranked first among state corporations by the Ministry of ICT, Innovation, and Youth Affairs. KYEB received bonus points for the A-in-A category and innovations, exceeding the set targets in some categories.

The organisation anticipates a higher score because it has met all of the mandate category targets and formed committees to handle cross-cutting issues that have lowered the score in previous years.

Business Process Re-engineering could not have arrived at a better time. The organisation has successfully re-engineered its processes; for example, it can now produce a publication in one-quarter the time it used to and be able to print more to impact the public through innovations at a lower cost.

KYEB is currently documenting all processes for the upcoming PC evaluations and refining its operating policies. The organisation has now made it its duty and responsibility to produce and disseminate publications on the digital platform as well as through other low-cost vehicles such as AgendaKenya. The AgendaKenya concept is a low-cost innovation that spreads widely, has an impact, and is a sure way to market the organisation.

In terms of human resources, I believe KYEB has performed admirably. It has successfully reviewed its Strategic Plan and distributed it to employees. The organisation continues to build capacity through staff training and workshops, particularly among the technical teams. The new approved human resource instruments are being implemented right now.

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KYEB is also interested in increasing the productivity of each individual. Some key department heads have completed the Productivity Measurement and Improvement Course at the Kenya School of Government.

I'd like to mention that KYEB did quite well in court during this time period. Out of about six cases, four have been dismissed, and one is dormant and may be dropped soon due to the length of time it has been inactive. The last court case is still pending, awaiting a hearing date, despite the fact that KYEB has delivered its defense.

KYEB continues to generate Appropriation-in-Aid funds by collaborating with government agencies on the production of some of its core mandate publications. The State Department for Housing and Urban Development, for example, covered the printing costs of the Big 4 publication on affordable housing. The line Ministry has also continued with the contract to edit, design, and layout the MyGov pull-out newspaper, which has continued to improve in terms of content quality and digital distribution.

The National Treasury's increased budget allocation for development could not have come at a better time. With this stability, the institution was able to pay off all outstanding bills. KYEB is now in the green and ready to soar to new heights.

With the numerous strategic initiatives undertaken by management, it is clear that the institution is now more stable and well-understood by the Kenyan public. KYEB has successfully aligned itself with the activities and priorities of the government.



Mr. Edward Mwasi
Chief Executive Officer

6. Statement of Performance against Predetermined Objectives for FY 2021/22

Kenya Yearbook Editorial Board (KYEB) has 1 (one) strategic pillar and four (4) objectives as per the KYEB Strategic Plan for FY 2019 to 2023.

The Strategic pillar is as follows:

Publishing

KYEB develops its annual work plans based on the above pillar. Assessment of its performance against its annual work plan is done on a quarterly basis. KYEB achieved its performance targets for its strategic pillar as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Awareness creation	To improve KYEB visibility	Key institutions mapped; KYEB brand enhanced; Digital Communication Strategy developed; Communication Policy and Strategy developed; Media partnerships enhanced.	Identification of key institutions as partners; Drafting of KYEB Communication Strategy; Drafting of KYEB Communication Policy and Strategy; Outreach to Media.	Partnerships established with Huduma Centres, Postal Corporation of Kenya (PCK), county Government of Kisumu and Nation Media Group and for dissemination of publications and printing
Service Delivery	To diversify KYEB Products and Services	Modes of production diversified; Products and Services diversified.	Revamp of KYEB website; Adoption of a Digital First Strategy for all publications; Production of a variety of digital and printed publications.	KYEB website redesigned and improved for dissemination and public feedback; Kenya Yearbook and all sector-based mini-yearbooks produced, published and disseminated on KYEB website and social media pages to get public feedback before printing; New digital publications successfully produced, published and disseminated online, including <i>AgendaKenya</i> and <i>QuickInfoBytes</i>

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	To strengthen collaboration and partnerships with key stakeholders	Customised publishing enhanced; Government publishing standardized.	Restructuring of customized publishing with Procurement taking up additional customer liaison function; Development of Editorial Policy and Guidelines for sharing with other MDAs.	Editorial Policy and Guidelines developed and implemented.
	To enhance publishing capacity of KYEB	Publishing capacity of KYEB enhanced	Outsourcing of writing, editing and design to prequalified service providers; Writers, designers and editors engaged in workshops and other for skills improvement and enriching of content.	Writers outsourced for all publications listed in the Performance Contract with the Ministry of ICT, Innovation and Youth Affairs; Writers and designers participated in workshops to develop concepts for mandate publication.

7. Corporate Governance Statement

KYEB recognizes the need to conduct its operations with integrity and in accordance with best practices in corporate governance. KYEB shall strive to attain the highest standards of ethical leadership and shall go beyond focusing on the bottom line by ensuring that the interests of all stakeholders are taken into consideration in the decision-making process. In keeping with best governance practices, in the event of conflicting interests between those of the organization and personal interests, members of the board are required to declare those interests and enter the details in a register and desist from making any decisions on such matters.

In discharging its mandate, KYEB is guided by the Constitution, relevant laws and regulations, Government Circulars and the Mwongozo Code of Corporate Governance. Most of the Board members have attended the Mwongozo induction and those who have joined KYEB recently are in the process of doing so. KYEB shall continue to ensure that each member meets the minimum Corporate Governance training hours each year.

The appointment and removal of members of the board is made as provided in the enabling statute-Legal Notice No.187/2007. The processes of appointment, removal of members of the board and succession planning are also clearly outlined in the KYEB Board Charter and the respective Letters of Appointment. The roles, duties and responsibilities are also outlined in these documents.

The board Chairman is paid a taxable monthly honorarium while all the other members receive taxable sitting allowances for meetings attended as guided by the 2004 guidelines on terms and conditions of service for State Corporations.

During the period under review, the Board conducted a self- evaluation of its performance as facilitated by State Corporations Advisory Committee (SCAC) and shall endeavour to improve its performance in each successive self-evaluation in order to sustain its growth and ensure sustainability. Due to exogenous factors experienced by all State Corporations, the Board was not able to undertake the annual governance audit although it commits to undertake the exercise as soon as these challenges are resolved.

Board

The members of the board are shown from page v. A non-executive Chairperson appointed by the President chairs the Board. All members of the board have extensive business and administrative experience in private and/or public sectors that are applied in directing the organization.

The Board is responsible for:

- Determining and protecting the Board's Vision, Mission and Core values;
- Monitoring the implementation of the Board's mandate;
- Providing strategic direction to the Board by being responsible for the revision and approval of strategic plans;
- Approving the annual budget, procurement plans, performance contract and work plans;

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- Ensuring the statutory reports are prepared, approved and audited on time;
- Appointing the Chief Executive Officer and other senior members of staff in line with the laid down regulations;

The composition of the Board included nine (9) Directors as listed below:

- i. Eng. Sammy Tangus-Chairman
- ii. Mr Hezekiah Okeyo
- iii. Mr. Kennedy Buhere
- iv. Mr. Mulei Muia
- v. Mr. Mwaura Igogo
- vi. Ms. Nemaisha Kiereini
- vii. Mr. Wilson Kipkazi
- viii. Mr Timothy Odongo
- ix. Ms Nancy Murega
- x. Mr David Wambete
- xi. Mr. Edward Mwasi
- xii. Ms. Rosemary Okumbe- Board Secretary (Resigned 14.8.2021)

During the period under review, the Board was assisted to carry out its mandate by four committees, as detailed below.

1. Finance Committee

The Finance committee had the oversight role of all financial operations and related issues. It was chaired by an independent Director and held six (6) meetings over the period. The composition of the committee included:

- | | | | |
|------|------------------------|---|--------------------------------------------|
| i. | Mr Mwaura Igogo | - | Chairman (01/07/2021 to 08/06/2022) |
| ii. | Mr Timothy Odongo | - | Member |
| iii. | Mr Mulei Muia | - | Member |
| iv. | Mr Wilson Kipkazi | - | Member (01/07/2021 to 09/02/2022) |

2. Audit Committee

The Audit Committee had the oversight role of risk management, internal control and governance and related issues. It was chaired by an Independent Director and held five (5) meetings over the period. The composition of the committee included:

- i. **Mr Nemaïsa Kiereini** - **Chairman (01/07/2021 to 09/02/2022)**
- ii. Mr Hezekiah Okeyo - Member
- iii. Mr Kennedy Buhere - Member
- iv. Mr David Wambete - Member
- v. Mr Timothy Odongo - Member (09/02/2022 to 30/06/2022)

3. Strategy and Monitoring Committee

The Strategy and Monitoring Committee had the oversight role of the strategy, editorial, production and marketing functions and related issues. The Committee provided strategic and marketing direction including the approval of planned work programmes. It was chaired by a Non-Executive Director and held five (5) meetings over the period. The composition of the committee included:

- i. **Mr Hezekiah Okeyo** - **Chairman**
- ii. Mr Timothy Odongo - Member
- iii. Mr David Wambete - Member
- iv. Mr Mulei Muia - Member

4. Human Resources and Administration Committee

The Human Resources and Administration Committee had the oversight role of human resources and administration issues. Among its key functions was providing directions on recruitment, training, welfare administration and disciplinary issues. It was chaired by an independent Director and held four (4) meetings over the period. The composition of the committee included:

- i. **Mr Wilson Kipkazi** - **Chairman (01/07/2021 to 09/02/2022)**
- ii. Mr Mwaura Igogo - Member (01/07/2021 to 08/06/2022)
- iii. Ms Nemaïsa Kiereini - Member (01/07/2021 to 09/02/2022)
- iv. Mr Kennedy Buhere - Member
- v. Mr Timothy Odongo - Member (09/02/2022 to 30/6/2022)
- vi. Ms Nancy Murega - Member (09/06/2022 to 30/6/2022)

The number of meetings held by the Board and the committees during the period July 1, 2021 to June 30, 2022:

Board/Committees	No. of Meetings Held
Board	6
HR & Admin	4
Strategy & Monitoring	6
Finance	6
Audit	5

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Summary Report of attendance in meetings

Names	Board		Committees								Total	
			HR & Admin		Strategy & P.		Finance		Audit			
	No. of Meetings		No. of Meetings		No. of Meetings		No. of Meetings		No. of Meetings		No. of Meetings	
	He Id	Atten ded	He Id	Atten ded	He Id	Atten ded	He Id	Atten ded	He Id	Atten ded	He Id	Atten ded
Eng. Sammy Tangus	6	5	-	-	-	-	-	-	-	-	6	5
Mr Wilson Kipkazi	6	4	4	2	-	-	6	5	-	-	16	15
Ms Nemaisa Kiereini	6	4	4	2	-	-	-	-	5	4	15	10
Mr Timothy Odongo	6	6	1	1	5	5	6	6	1	1	19	19
Mr Mwaura Igogo	6	5	4	3	-	-	6	6	-	-	16	15
Ms Nancy Murega			1	1							1	1
Mr Hezekiah Okeyo	6	6	-	-	5	5	-	-	5	4	16	15
Mr. Mulei Muia	6	6	-	-	5	5	6	6	-	-	17	17
Mr David Wambete	6	6	-	-	5	4	-	-	5	4	16	14
Mr Kennedy Buhere	6	4	4	4	-	-	-	-	5	4	15	12

8. Management Discussion and Analysis

The Board's operational and financial performance

During the FY 2021/22, KYEB launched its flagship publications *The Kenya Yearbook 2022 Edition*, the cabinet series *Kibaki cabinets* and sector-specific publications on Manufacturing. The Board also disseminated several editions of the *Agendakenya* news print during the same period.

KYEB publications are aimed at fulfilling the Board's mandate as set out in Legal Notice No. 187 of 2007 (The Kenya Yearbook Order, 2007) to document and detail the work of the Government of Kenya in partnership with its people. KYEB highlights initiatives, achievements and challenges faced in all sectors; to explain the Government's programme of action to sustain and speed up progress towards the kind of society Kenyans' desire. In addition, The Board convey in the yearbooks, the country's immense resources and the potential still to be tapped and communicate the national policy priorities as set out in Kenya Vision 2030.

During the period KYEB continued editing; designing and layout of the weekly Government Newspaper pull-out "*MyGov*" this has also enabled the organisation generate revenue internally to enhance service provision.

Board's compliance with statutory requirements

The Board is not facing any non-compliance issues relating to statutory obligations.

Key projects and investment decisions KYEB is planning /implementing

KYEB have planned to expand the technical staff, this is after the approval of the institution's Human resources instruments. This will enable the Board to expand in taking more customised publishing jobs for other Government agencies and the Counties, and earn additional revenue to supplement the Government grants. The Board's long-term objective is to grow into a self-sustaining institution in terms of human and financial resources.

Major risks facing the entity:

1. Operational Risk

- Limited technical capacity due to understaffing.
- As a consequent of technical inadequacy, the Board partly relied on external consultants to produce its publications.

2. Liquidity Risks

KYEB funding remained stable during the FY 2021-22, this improved undertaking its operations and also collection of receivables held by the line Ministry as a result of services rendered enabled KYEB reduce its current liabilities that had accumulated from prior period when KYEB experience underfunding.

3. Legal Risks

KYEB by clearing prior periods' accrued liabilities reduced the risk of legal actions being taken against it by its suppliers and services providers.

4. Reputation Risks

KYEB reputation improved greatly in the period 2021/22, as it paid most of the prior years' liabilities.

5. Compliance Risks

The delayed release of the Treasury allocations and also the delays in settlement of MyGov revenue by the parent Ministry affected the ability to meet the set timelines for statutory payments and exposed the Board to the risk of incurring KRA penalties and interests. However, KYEB is current in the payment of all its statutory obligations.

Material arrears in statutory/financial obligations

KYEB accrued current liabilities relate to 2021/22 payables as at June 30, 2022. They are covered by the receivable amounts and are budgeted for.

The entity's financial probity and serious governance issues.

The Board has no cases of financial probity or serious governance issues.

9. Environmental and Sustainability Reporting

Kenya Yearbook Editorial Board (KYEB) mandate is to enhance government communication, this role is quite expansive and, if not properly interpreted, could fail to address the needs of its audience. It's been a deliberate effort of the KYEB team to strategically align all its publications to the Government priorities and the dictates of the day for impact and relevance. Relevance attracts support from the exchequer and partnership.

To gain and maintain trust from its stakeholders, the institution has persistently defined professionalism in the packaging of its content. Any publication produced is processed through meticulous research and brainstorming to ensure that all the tenets of journalism are respected. This is how the mainstream media is able to embrace KYEB enriching content and disseminate it on their platforms as a partnership as opposed to direct business. These ventures have saved KYEB millions in costs and helped publicise the organisation.

KYEB has adopted remote publishing and outsourcing of content collation and editing to counter the realities of the COVID-19 pandemic. It also allows for engaging a wide range of expertise to address unique perspectives in publishing. Different topics require experience in different subjects.

On the production processes, KYEB has adopted a digital workflow that allows the teams to work from different remote stations. This enhances the interactivity of the team from anywhere and anytime. KYEB is currently in the process of service automation to make these processes more seamless.

Outsourcing of content collation and design has injected efficiency in the utilisation of funds and improved the quality of publications. In addition, KYEB has embraced innovation by pursuing a digital-first strategy for publishing. In this regard, KYEB has digitized all its publications including the Yearbook, and made the same available on its online platform. It has also launched two digital publications that have been received well by the public and its partners in Government.

i) Environmental performance

KYEB improved its operations by partnering with e-book distributors for supply chain distribution of our publications and posting the publications in the website for the public to read. In conserving the environment, KYEB uses woven bags for packing and distributing its publications.

ii) Employee welfare

The hiring process at KYEB is guided by the Human Resource Policy and Procedure manual, the Career Progression Guideline in place and Constitution of Kenya.

During the hiring process, KYEB involved our Internal stakeholders, which is the Board of Directors and Management, and external stakeholders, which is the general public, this is achieved through placing adverts in local dailies with wide coverage to reach a wide group of potential Kenyan candidates.

To attract and motivate staff, KYEB amended sections of the HR Policy and Procedure manual in order to enable employees to acquire house mortgages and vehicles at negotiated interest rates. Additionally, the Board operates a defined contribution retirement benefits scheme for employees on permanent and pensionable terms of employment, while employees on contract terms of employment are entitled to gratuity as per the terms of their employment.

The Policies are improved on need-to-basis and approval is sought from the Board of Directors.

Efforts made in Improving skills and managing careers appraisal and reward system.

KYEB conducts a skills gap analysis every year, and based on the gaps identified, takes the necessary measures to address any gaps identified, such as conducting training both in-house and external trainings, nominating employees to attend workshops and seminars relevant to their jobs, encouraging employees to pursue professional courses and paying for their annual membership subscriptions to professional bodies such as ICPAK, IHRM, ICS, LSK, MCK, PRSK etc.

KYEB has a performance management policy that is used as the reference material in the entire performance management process and uses a competency-based performance management system and the Government based PC to check on performance of employees and reward them accordingly, based on the performance achieved as per the staff performance management policy.

Safety and Compliance with Occupational Safety and Health Act of 2007 (OSHA).

KYEB have a Safety and Health Internal Committee that meets Quarterly, or on need-to-basis to review the overall safety measures in place, and recommend measures that needs to be done on areas where they feel the organisation is not complying fully with the OSHA Act.

The Board also have a staff medical scheme that caters for employees' medical expenses and have also complied with WIBA Act through acquiring WIBA and GPA insurance for all employees.

Routine checks and repairs are also done in work environment to ensure that employees are safe at the work environment.

iii) **Market place practices-:**

a) **Responsible competition practice**

Kenya Yearbook Editorial Board often rely upon a competitive bidding process to achieve better value for money in their procurement activities. Low prices and/or better products are desirable because they result in resources either being saved or freed up for use on other goods and services.

b) **Responsible Supply chain and supplier relations**

Procurement function is mandated to manage procurement and asset disposal processes as per the Public Procurement and Asset Disposal Act (2015). In FY 2021/22 the Board complied

on preference and reservations group allocation and awarded contracts of Kshs. 5,296,911. The Board also supports the Buy Kenya Build Kenya initiative and awarded contracts of Kshs. 28,779,116.96/- to local services and products.

c) Responsible marketing and advertisement

KYEB practices responsible marketing and advertising by not only focussing on how the products benefit customers, but also how they benefit socially responsible or environmental causes. This is achieved through:

- i. Providing actual content on Government milestones through the *Kenya Yearbook* publication and *AgendaKenya* newspaper;
- ii. Printing less hard copy books and going the e-book way on KYEB publications;
- iii. Use of social media platforms (website, email, twitter and Facebook) to create awareness of our products.

d) Product Stewardship

KYEB incorporates the CSR commitments into the customer experience by offering high quality products and services. KYEB takes responsibility of their end products by providing effective and efficient services to their customers by disseminating information that has been verified. The Board also gives credit to the institutions that provide content and photography for publications produced.

e) Corporate Social Responsibility/Community engagement

KYEB embraces CSR in order to give back to the community through philanthropic activities which provide positive social value. This was achieved through donating books to the following needy libraries in several counties within the financial year 2021/22:

Nairobi County

- i. Slin Miradi Library in Mathare
- ii. St. John Library in Korogosho
- iii. Kenya National Library Services and its county branches

Mombasa County

- i. Kicodef Library, Bombolulu
- ii. Kilifi Library
- iii. Mtwapa Library
- iv. Hatua Likoni Library

Makueni County

- i. Jitegemee Community Library
- ii. Bridge Academy
- iii. Kipandini Community Library

Lamu County

Jukumu Letu initiative

**Kenya Yearbook Editorial Board
Annual Report and Financial Statements
For the year ended June 30, 2022.**

10. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of KYEB's affairs.

i) Principal activities

The principal activities of KYEB are: -

- To periodically compile, edit and publish the Kenya Yearbook annually;
- To document and detail the work of the government of Kenya in the yearbook in partnership with its people;
- To explain in the yearbook, the programme of action to sustain and speed up progress towards the kind of society Kenyan's desire;
- To convey in the Yearbook, the immense resources in Kenya and the potential still to be tapped;
- To co-ordinate and implement Government communications functions in a manner that ensures a qualitative and positive presentation of materials that define Kenya's situation;
- To provide guidance in Government communication and build a framework of partnerships and co-operation between key government communicators;
- To promote awareness of opportunities available worldwide and how to gain access to them;
- To inform Kenyans of regional, continental and global integration opportunities and initiatives;
- To conduct communication research and disseminate the findings and organize periodic teach-ins and seminars;
- To publish on thematic issues; and
- Transversal campaigns, such as Vision 2030, the SDGs, the Constitution debate and regional and global partnership initiatives.

ii) Results

The results of the entity for the year ended June 30, 2022, are set out on page 1-25.

iii) Directors

The members of the Board of Directors who served during the year are shown on page v.

iv) Auditors

The Auditor General is responsible for the statutory audit of Kenya Yearbook Editorial Board in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board.

Name

Corporate Secretary/CEO

Mr Edward Mwasi



Signature

Date

29th September, 2022

11. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of the Board, which give a true and fair view of the state of affairs of KYEB at the end of the financial year. The Directors are also required to ensure that KYEB keeps proper accounting records which disclose with reasonable accuracy the financial position of KYEB. The Directors are also responsible for safeguarding the assets of KYEB.

The Directors are responsible for the preparation and presentation of KYEB's financial statements, which give a true and fair view of the state of affairs of KYEB for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (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 entity; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for KYEB'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 Directors are of the opinion that KYEB's financial statements give a true and fair view of the state of KYEB's transactions during the financial year ended June 30, 2022, and of KYEB's financial position as at that date.

The Directors further confirms the completeness of the accounting records maintained for KYEB, which have been relied upon in the preparation of KYEB's financial statements as well as the adequacy of the systems of internal financial control.

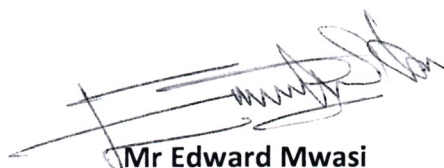
Nothing has come to the attention of the Directors to indicate that KYEB will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

KYEB's financial statements were approved by the Board on **27th September, 2022** and signed on its behalf by:



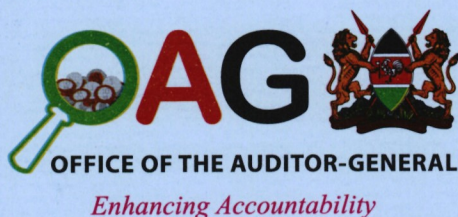
Eng. Sammy Tangus
Chairperson of the Board



Mr Edward Mwasi
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 KENYA YEARBOOK EDITORIAL BOARD FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Kenya Yearbook Editorial Board set out on pages 1 to 32, which comprise of the statement of financial position as

at 30 June, 2022, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kenya Yearbook Editorial Board as at 30 June, 2022 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 Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions balance of Kshs.38,060,606 and as disclosed in Note 15(a) to the financial statements. The balance includes an amount of Kshs.1,332,767 in respect of receivable from bookshops out of which an amount of Kshs.900,082 relates to financial year 2016/2017 and prior years. As previously reported, no action has been taken by the Management to recover the outstanding amounts.

In the circumstances, the recoverability of the long outstanding accounts receivables - bookshops balance of Kshs.900,082 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Yearbook Editorial Board 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 qualified opinion.

Emphasis of Matter

Contingent Liabilities

As reported in the previous year and as disclosed in Note 24 to the financial statements, the Board has an ongoing Court case filed by three (3) former employees who were interdicted and subsequently terminated from employment on 11 August, 2016. The three are seeking compensation totalling to Kshs.16,860,000. Review of the matter as at 30 June, 2022 revealed that the case was still pending in Court and its outcome, in the opinion of the Board will not have significant liability. However, during the year under review, the Board incurred an expenditure of Kshs.1,231,000 as legal fees in respect of

the case as disclosed under Note 8 to the financial statements. Should the ruling be made in favour of the former employees, the outcome is likely to have significant financial impact on the Board.

My opinion is not modified in respect of the above matter.

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 were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

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, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, 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

Poor Record Keeping and Management of Inventories

The Statement of financial position reflects inventory balance of Kshs.6,632,130 and as disclosed under Note 16 to the financial statements. Respective records maintained by the Board revealed that during the year under review, the Management procured assorted consumables such as Ethernet cable, tyres and branded T-shirts among other items at a cost of Kshs.1,317,368. However, the consumables were not taken on charge in the stores through S13 ledger cards and no evidence was provided for audit on issue to the users through S11 vouchers. Further, the existing stores' records have not been updated since the 2016/2017 financial year.

In the circumstances, there is a need for the Management to review and enhance the internal controls on inventories.

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 effective processes and systems of internal controls, 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 Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Board's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Board or to cease operations.

The 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 Directors is responsible for overseeing the Board's financial reporting process, reviewing the effectiveness of how Management 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 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 controls 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 noncompliance. 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 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 controls.

- 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 the 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 Board'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 Board to cease 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 Board 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 controls 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 March, 2023

Kenya Yearbook Editorial Board
Annual Report and Financial Statements
for the year ended June 30, 2022.


13. Statement of Financial Performance for the year ended June 30, 2022


Description/ Period	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	5	104,000,000	100,000,000
		104,000,000	100,000,000
Revenue from exchange transactions			
Rendering of services	6	67,374,642	62,429,044
Sale of goods	7	232,100	1,557,813
Total Revenue from exchange transactions		67,606,742	63,986,857
Total revenue		171,606,742	163,986,857
Expenses			
Use of goods and services	8	45,074,325	41,063,945
Employee costs	9	52,346,289	53,187,937
Board of Directors' costs	10	7,319,968	10,065,708
Depreciation and amortization expense	11	3,183,677	4,170,625
Repairs and maintenance	12	1,261,515	1,626,059
Publishing, dissemination and publicity	13	70,904,084	62,112,209
Total expenses		180,089,859	172,226,483
Surplus/(deficit) for the period/year		(8,483,117)	(8,239,626)

The notes set out on pages 10 to 33 form an integral part of these Financial Statements.
The Financial Statements set out on pages 1 to 9 were signed on behalf of the Board of Directors by:


Chief Executive Officer
Mr. Edward Mwasi

Date: 29/09/2022


Head of Finance
CPA Ms Susan Naitore
ICPAK Number:19986
Date: 29/9/2022


Board Chairman
Eng. Sammy Tangus

Date: 29/09/2022


14 Statement of Financial Position as at June 30, 2022


Description/Period	Notes	2021-2022	2020-2021
Assets		Kshs	Kshs
Current Assets			
Cash and Cash equivalents	14	50,571,628	18,392,261
Receivables from Exchange Transactions	15(a)	38,060,606	37,689,944
Receivables from Non-Exchange Transactions	15(b)	4,975,368	3,959,750
Inventories	16	6,632,130	13,280,730
Total Current Assets		100,239,732	73,322,685
Non-Current Assets			
Property, Plant and Equipment	17	14,529,643	14,469,171
Total Non- Current Assets		14,529,643	14,469,171
Total Assets		114,769,375	87,791,856
Liabilities			
Current Liabilities			
Trade and Other Payables	18	13,479,220	10,393,164
Current Provision	19	54,831,476	54,459,367
Employee Benefit Obligation	19	401,705	6,897,069
Total Current Liabilities		68,712,402	71,749,600
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	20	3,862,255	1,364,420
Total Non- Current Liabilities		3,862,255	1,364,420
Total Liabilities		72,574,656	73,114,020
Net Assets		42,194,719	14,677,836
Accumulated Surplus		(4,751,027)	3,732,090
Capital Fund		46,945,746	10,945,746
Total Net Assets		42,194,719	14,677,836
Total Net Assets and Liabilities		114,769,375	87,791,856

The financial statements set out on pages 10 to 33 were signed on behalf of the Board of Directors by:


Mr Edward Mwasi
Chief Executive Officer

Date:29/09/2022


CPA Ms Susan Naitore
Head of Finance
ICPAK Number:19986
Date:29/09/2022


Eng Sammy Tangus
Chairman of the Board

Date:29/09/2022

Kenya Yearbook Editorial Board
Annual Report and Financial Statements
for the year ended June 30, 2022.

15 Statement of Changes in Net Assets for the year ended June 30, 2022

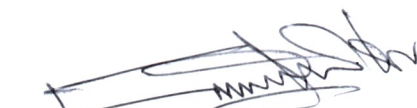
Description/Period	Accumulated Surplus	Capital/		Total
		Development Grants/Fund		
	Kshs	Kshs	Kshs	Kshs
As at July 1, 2020	11,971,716	10,945,746		22,917,462
Surplus/ deficit for the year	(8,239,626)			(8,239,626)
Capital/development grants received during the year				-
As at June 30, 2021	3,732,090	10,945,746		14,677,836
				-
As at July 1, 2021	3,732,090	10,945,746		14,677,836
Surplus/ deficit for the year	(8,483,117)			(8,483,117)
Capital/development grants received during the year		36,000,000		36,000,000
As at June 30, 2022	(4,751,027)	46,945,746		42,194,719

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16. Statement of Cash Flows for the year ended June 30, 2022


Description/Period		2021-2022	2020-2021
Cash flows from operating activities	Notes	Kshs	Kshs
Receipts			
Transfers from other governments entities		140,000,000	100,000,000
Rendering of services		73,843,403	64,360,281
Sale of goods		248,855	1,304,950
Total receipts		214,092,258	165,665,231
Payments			
Use of goods and services		(117,900,492)	(102,355,681)
Employee costs		(52,346,289)	(53,187,937)
Board Expenses		(7,077,168)	(10,065,708)
Depreciation		(3,183,677)	(4,170,625)
Repairs and maintenance		(1,261,515)	(1,626,059)
Total payments		(181,769,141)	(171,406,010)
Net cash flows from/(used in) operating activities	21	32,323,117	(5,740,779)
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(143,750)	(1,888,018)
Net cash flows from/(used in) investing activities		(143,750)	(1,888,018)
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Proceeds from issue of shares		-	-
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash &		32,179,367	(7,628,797)
Cash equivalents			
Cash and cash equivalents at July 1, 2021		18,392,261	26,021,058
Cash and cash equivalents at June 30, 2022		50,571,628	18,392,261

The financial statements set out on pages 1 to 9 were signed on behalf of the Board of Directors by:


Mr. Edward Mwasi
Chief Executive Officer

Date:29/09/2022


CPA Ms Susan Naitore
Head of Finance
ICPAK M/No:19986
Date:29/09/2022


Eng. Sammy Tangus
Chairman of the Board
Date:29/09/2022

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17. Statement of Comparison of Budget and Actual amounts for the year ended June 30, 2022

Description/Period	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Performance difference		% of utilization	
	2021-22	Kshs	2021-22	Kshs	2021-22	Kshs	2021-22	Kshs	2021-22	Kshs	2021-22	Kshs
REVENUE												
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100						
Govt Grant: Recurrent	104,000,000	-	104,000,000	104,000,000	-	100						
Development	46,000,000	(10,000,000)	36,000,000	36,000,000	-	100						
Sub Total Govt Grant	150,000,000	(10,000,000)	140,000,000	140,000,000	-	100						
Internally Generated Revenue												
:Mygov	10,500,000	39,500,000	50,000,000	50,000,000	-	100						
:Sale of Publication	500,000	-	500,000	232,100	(267,900)	46						
:Customized publishing	11,000,000	-	11,000,000	17,374,642	6,374,642	158						
Sub Total Internally Generated Revenue	22,000,000	39,500,000	61,500,000	67,606,742	6,106,742	110						
TOTAL REVENUE	172,000,000	29,500,000	201,500,000	207,606,742	6,106,742	103						
EXPENDITURE												
Personnel Emoluments												
Basic salary	27,537,890	-	27,537,890	26,644,392	893,498	97						
House Allowance	10,648,000	-	10,648,000	10,338,500	309,500	97						
Commuter Allowance	4,300,000	-	4,300,000	3,927,000	373,000	91						
Extraneous and other allowances	264,000	-	264,000	264,000	-	100						
Airtime Allowance	2,448,000	-	2,448,000	2,296,600	151,400	94						
Leave Allowance	750,000	-	750,000	687,305	62,695	92						
Entertainment	360,000	-	360,000	360,000	-	100						
Club membership	150,000	-	150,000	120,000	30,000	80						
Sub Total (Payroll)	46,457,890	-	46,457,890	44,637,797	1,820,093	96						
Attachés/Interns	400,000	-	400,000	110,000	290,000	28						
NSSF-Employer	362,880	-	362,880	343,440	19,440	95						

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Description/Period	Original Budget	Adjustments	Final Budget	Actual on comparable Basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Pension- Employer	2,456,415	-	2,456,415	2,240,190	216,225	91
Gratuity	3,440,557	-	3,440,557	2,857,948	582,609	83
Sub Total	6,659,852	-	6,659,852	5,551,578	1,108,274	83
Total Payroll costs.	53,117,742	-	53,117,742	50,189,375	2,928,367	94
Board of Directors expenses						
Honoraria & Airtime	1,044,000	-	1,044,000	1,044,000	-	100
Sitting Allowance	4,460,000	-	4,460,000	4,060,000	400,000	91
Accommodation & Subsistence	800,000	-	800,000	354,050	445,950	44
Training	1,200,000	800,000	2,000,000	1,815,421	184,579	91
Transport/Mileage	100,000	200,000	300,000	46,497	253,503	15
Total Board of Directors Expenses	7,604,000	1,000,000	8,604,000	7,319,968	1,284,032	85
Publishing, Dissemination and Publicity						
Writing, Editing and Consultancy	4,100,000	2,000,000	6,100,000	5,370,200	729,800	88
Design and layout	1,080,000	-	1,080,000	1,046,000	34,000	97
Photography	1,050,000	-	1,050,000	708,540	341,460	67
Printing	3,769,258	4,000,000	7,769,258	7,709,909	59,349	99
MyGov Expenses	5,160,000	27,650,000	32,810,000	29,101,200	3,708,800	89
Customized Publishing	3,350,000	-	3,350,000	12,844,705	(9,494,705)	383
Promotions and Complimentary	1,000,000	1,000,000	2,000,000	12,588,150	(10,588,150)	629
Shows and Exhibitions	720,000	-	720,000	719,600	400	100
Distribution Expenses	500,000	-	500,000	441,780	58,220	88
Corporate Branding	400,000	-	400,000	324,000	76,000	81
Social Media campaigns	200,000	-	200,000	50,000	150,000	25

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Description/Period	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Corporate Social Responsibility (CSR) activities	100,000	-	100,000	-	100,000	-
Total Publishing, Dissemination and Publicity	21,429,258	34,650,000	56,079,258	70,904,084	(14,824,826)	126
Accommodation & Subsistence						
Transport	300,000	-	300,000	293,885	6,115	98
Accommodation & Subsistence	8,900,000	1,500,000	10,400,000	10,324,405	75,595	99
Total Accommodation & Subsistence	9,200,000	1,500,000	10,700,000	10,618,290	81,710	99
Utilities & Communication:						
Postage, Telephone & Internet services	350,000	-	350,000	320,785	29,215	92
Newspapers & Publications	50,000	-	50,000	-	50,000	-
Total Utilities & Communication:	400,000	-	400,000	320,785	79,215	80
Hospitality:						
CEO'S Office	600,000	200,000	800,000	779,009	20,991	97
Other Offices	450,000	-	450,000	417,940	32,060	93
Total Hospitality	1,050,000	200,000	1,250,000	1,196,949	53,051	96
Office Accommodation and Services:						
Office Rent	9,809,000	-	9,809,000	9,660,076	148,924	98
Office Cleaning	1,000,000	-	1,000,000	972,000	28,000	97
Total Office Accommodation and Services:	10,809,000	-	10,809,000	10,632,076	176,924	98
Operations and Maintenance:						
Motor Vehicles & Automobiles	420,000	-	420,000	412,165	7,835	98
Assets & equipment Insurances	200,000	-	200,000	196,765	3,235	98
Motor Vehicles insurance	390,000	-	390,000	380,843	9,157	98

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Description/Period	Original Budget	Adjustments	Final Budget	Actual on comparable Basis	Performance Difference	% of utilization
Fuel and Lubricants	650,000	-	650,000	615,761	34,239	95
Computers/ICT	550,000	-	550,000	541,550	8,450	98
Furniture & Equipment's	310,000	-	310,000	307,800	2,200	99
General Office Supplies	750,000	200,000	950,000	934,285	15,715	98
Total operations & Maintenance	3,270,000	200,000	3,470,000	3,389,168	80,832	98
Professional Services;			-		-	
Audit fees	450,000	-	450,000	450,000	-	100
Legal services fees	850,000	400,000	1,250,000	1,231,000	19,000	98
Membership Subscriptions	110,000	-	110,000	104,800	5,200	95
Staff Training/Capacity Building	6,820,000	-	6,820,000	6,634,535	185,465	97
Strategic Plan Development/Reviews/PC	3,050,000	1,550,000	4,600,000	4,489,950	110,050	98
Staff Medical Insurance	6,300,000	-	6,300,000	6,283,229	16,771	100
WIBA/Group Personal Accident (GPA) Insurance	800,000	-	800,000	787,636	12,364	98
Total Professional Services	18,380,000	1,950,000	20,330,000	19,981,150	348,850	98
Sundry Expenses:			-		-	
Bank Charges	20,000	-	20,000	16,664	3,336	83
Staff Welfare & Contributions	520,000	-	520,000	515,300	4,700	99
General Advertising	200,000	-	200,000	180,758	19,243	90
Total Sundry Expenses	740,000	-	740,000	712,722	27,279	96
TOTAL RECURRENT DEVELOPMENT	126,000,000	39,500,000	165,500,000	176,264,568	(9,764,568)	106
KYEB Offices & Services Automation	46,000,000	(10,000,000)	36,000,000	36,000,000	-	100
Total Development	46,000,000	(10,000,000)	36,000,000	36,000,000	-	100
Total Rec & Dev	172,000,000	29,500,000	201,500,000	211,264,568	(9,764,568)	105

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Budget notes

- 1. Internally generated expenses depends with the internally generated revenue earned, during the period under review more jobs were undertaken registering increase in revenue consequently, increase in expenses.*
- 2. Promotions and complimentary expenses relates to KYEB's publications that are distributed in line with its mandate of dissemination of information the public.*

18. Notes to the Financial Statements

1. General Information

Kenya Yearbook Editorial Board is established by Kenya Yearbook Orders No. 187 of 2007 and derives its authority and accountability from corporation Act Cap 446. KYEB is wholly owned by the Government of Kenya and is domiciled in Kenya.

The principal activity is to research, compile, publish and disseminate information on Kenya’s Social, Economic and Political Spheres.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. 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 KYEB’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 in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of KYEB.

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

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an KYEB’s future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model

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Standard	Effective date and impact:
	<p>develops a strong link between an KYEB's risk management strategy and the accounting treatment for instruments held as part of the risk management strategy.</p> <p>No impact if this standard to KYEB is relevant.</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p> <p>No impact of this standard to KYEB is relevant</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p>No impact of this standard to KYEB is relevant.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>No impact of this standard to KYEB is relevant.</p>
<p>IPSAS 43</p>	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis</p>

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Standard	Effective date and impact:
	<p>for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>No impact of this standard to KYEB is relevant.</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>No impact of this standard to KYEB is relevant.</p>

iii. **Early adoption of standards**

KYEB did not early – adopt any new or amended standards in year 2021/2022.

4. 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 comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Rendering of services

KYEB recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

iii) Sale of goods

Revenue from the sale of goods/publications is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods/publications 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.

b) Budget information

The original budget for FY 2021-2022 was approved by the National Assembly on *June 10, 2021*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by KYEB upon receiving the respective approvals in order to conclude the final budget. Accordingly, KYEB recorded additional appropriations of Kshs 39,500,000 on the 2021-2022 budget following the governing body's approval.

KYEB'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)

Summary of Significant Accounting Policies (Continued)

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 under section xxx of these financial statements.

c) Taxes

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Property, plant and equipment

All property, plant and 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, plant and equipment are required to be replaced at intervals, KYEB 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 plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

e) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently 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. Losses arising from impairment are recognized in the surplus or deficit.

f) Impairment of financial assets

KYEB assesses at each reporting date whether there is objective evidence that a financial asset or an Entity of financial assets is impaired. A financial asset or an Entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- i) The debtors or an Entity of debtors are experiencing significant financial difficulty.
- ii) Default or delinquency in interest or principal payments
- iii) The probability that debtors will enter bankruptcy or other financial reorganization.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

- iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the KYEB.

h) Provisions

Provisions are recognized when KYEB 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. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

i) Contingent liabilities

KYEB does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

j) Contingent assets

KYEB does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of KYEB in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

k) Nature and purpose of reserves

KYEB creates and maintains reserves in terms of specific requirements, it maintains a gratuity reserve account to settle maturing contract staffs' gratuity dues.

Notes to the Financial Statements (Continued)

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

KYEB provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which KYEB 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 against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) Related parties

KYEB regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise *the directors, the CEO and senior managers*

p) 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 Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

q) Comparative figures

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

r) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

j) Significant Judgments and Sources of Estimation Uncertainty

The preparation of KYEB's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

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. KYEB 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 KYEB. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in [Note 40](#).

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. KYEB will adopt the aging schedule method of providing for bad and doubtful debts. The amount of doubtful accounts will be based on an aging schedule.

Notes to the Financial Statements (Continued)

5). Transfers from Other Government entities

Transfers from Ministries, Departments and Agencies (MDAs)

Government Grant Name of the Entity sending the grant	Amount recognized to Statement of Financial performance KShs	Amount recognised in capital fund. KShs	Total transfers	Prior year
			2021/22 KShs	2020/21 KShs
Ministry ICT. Innovation and Youth Affairs/State Department of Broadcasting and Telecommunications	104,000,000	36,000,000.00	140,000,000	100,000,000
Total Government grant	104,000,000	36,000,000	140,000,000	100,000,000

6). Rendering of Services

Description/Period	2021-2022	2020-2021
	KShs	KShs
Customized Publishing	67,374,642	62,429,044
Total revenue from the rendering of services	67,374,642	62,429,044

7). Sale of Goods

Description/ Period	2021-2022	2020-2021
	KShs	KShs
Sale of publications	232,100	1,557,813
Total revenue from the sale of goods	232,100	1,557,813

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Notes to the Financial Statements (Continued)

8). Use of Goods and Services

Description/Period	2021-2022	2020-2021
	KShs	KShs
Cleaning services	972,000	938,534
Newspapers and Subscriptions	-	-
Advertising	180,758	-
Consultancy fees-Admin	-	150,000
Audit fees	450,000	450,000
Fuel and oil	615,761	467,047
Office supplies and stationaries	934,285	678,287
Office Accommodation and services	9,660,076	10,424,688
Hospitality services	1,196,949	889,895
Strategic planning & PC cost	4,489,950	3,510,900
Training & Professional subscription	6,739,335	5,566,297
Insurance costs	7,648,473	6,701,235
Legal expenses	1,231,000	600,000
Postage, telephone, & Internet	320,785	305,482
Bank Charges	16,664	27,730
Travel, accommodation, subsistence and other allowances	10,618,290	10,353,850
Total use of goods and services cost	45,074,325	41,063,945

9). Employee Costs

Description/Period	2021-2022	2020-2021
	KShs	KShs
Salaries and wages	44,637,797	46,684,206
Gratuity (staffs on contract)	2,857,948	3,527,981
Employer contribution to pension schemes	2,583,630	2,389,750
Attaches/Interns	110,000	66,000
Other employee related costs-Staff welfare & contributions	515,300	520,000
Accrued leave	1,641,614	-
Total Employee costs	52,346,289	53,187,937

Notes to the Financial Statements (Continued)

10). Board Expenses

Description/Period	2021-2022	2020-2021
	KShs	KShs
Chairman's Honoraria	1,044,000	1,044,000
Sitting allowances	4,060,000	5,000,000
Other allowances	2,215,968	4,021,708
Total Board of Directors costs	7,319,968	10,065,708

11). Depreciation and Amortization Expense

Description/Period	2021-2022	2020-2021
	KShs	KShs
Property, plant and equipment	3,183,677	4,170,625
Total depreciation and amortization	3,183,677	4,170,625

12). Repairs and Maintenance

Description/Period	2021-2022	2020-2021
	KShs	KShs
Equipment, Furniture and fittings	307,800	914,730
Motor Vehicles	412,165	665,179
Computers and accessories	541,550	46,150
Total repairs and maintenance	1,261,515	1,626,059

13). Publishing, Dissemination and Publicity

Description/Period	2021-2022	2020-2021
	KShs	KShs
Writing, editing, design, layout and printing	14,834,649	14,967,466
Customized publishing	12,844,705	10,345,503
MyGov costs	29,101,200	20,880,000
Shows and exhibitions	1,535,380	976,950
Complimentary costs	12,588,150	14,942,290
Total Publishing, dissemination and publicity	70,904,084	62,112,209

14). Cash and Cash Equivalent

Description/Period	2021-2022	2020-2021
	KShs	KShs
Current account	46,673,170	11,289,991
Savings account (Gratuity Account)	3,880,694	7,042,315
Petty Cash	17,764	59,955
Total cash and cash equivalents	50,571,628	18,392,261

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Notes to the Financial Statements (Continued)

14. (a) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1112214119	46,673,170	11,289,991
Kenya Commercial Bank	1198589167	3,880,694	7,042,315
Sub- Total		50,553,864	18,332,306
b) Petty Cash			
Cash In Hand	Standing imprest	17,764	59,955
Sub- Total		17,764	59,955
Grand Total		50,571,628	18,392,261

15). Receivables from Exchange Transactions

15(a) Receivables from Exchange Transactions (Current)

Description/Period	2021-2022	2020-2021
	KShs	KShs
Current receivables		
Government Ministries & Departments	46,040,750	43,910,063
Less doubtful debts	(7,980,144)	(7,552,886)
Bookshops	-	1,332,767
Total current receivables	38,060,606	37,689,944

15(b) Receivables from Non-Exchange

Description/Period	2021-2022	2020-2021
	KShs	KShs
Insurance prepaid	2,331,903	1,554,771
Domain maintenance prepaid	-	1,417
Rent deposit	1,127,636	1,127,636
Fuel deposit	150,000	150,000
BoD debtors	-	52,000
Staff debtors	1,365,829	673,576
Imprest	-	50,000
Receivable from GoK	-	350,350
Total current receivables	4,975,368	3,959,750

Notes to the Financial Statements (Continued)

16). Inventories

Description/Period	2021-2022	2020-2021
	KShs	KShs
Yearbooks	2,095,000	4,092,000
CD Copies	982,000	982,000
Other Publications	3,555,130	8,142,230
Total inventories	6,632,130	13,216,230

17.(a) Property, Plant and Equipment

Description/Period	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Motor Vehicle	16,558,405	11,907,613	4,650,792
Furniture	7,519,098	4,785,739	2,733,359
Computers & Accessories	21,776,336	19,448,616	2,327,721
Portioning	9,009,829	7,292,458	1,717,371
Office and Services Automation (WIP)	3,100,400	-	3,100,400
Total Property, plant and Equipment	57,964,068	43,434,425	14,529,643

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Notes to the Financial Statements (Continued)

17(b). Property, Plant and Equipment

Description/Period	Motor Vehicle	Furniture	Computers & Accessories	Partitioning	Total
Cost	0.25	0.125	0.3	0.125	
Balance as at 1/07/2021	16,558,405	7,472,098	21,679,586	9,009,829	54,719,918
Addition 2021/22	47,000		96,750		143,750
Disposal					-
As at 30/6/2022	16,558,405	7,519,098	21,776,336	9,009,829	54,863,668
Depreciation:					
Balance as at 1/07/2021	10,357,349	4,395,259	18,451,021	7,047,119	40,250,748
Charge for the year 2021/22	1,550,264	390,480	997,595	245,339	3,183,677
Disposal					
As at 30/6/2022	11,907,613	4,785,739	19,448,616	7,292,458	43,434,425
Net Book Value:	4,650,792	2,733,359	2,327,721	1,717,371	11,429,243

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Notes to the Financial Statements (Continued)

18). Trade and Other Payables

Description/Period	2021-2022	2020-2021
	KShs	KShs
Trade payables	13,479,220	10,393,164
Total trade and other payables	13,479,220	10,393,164

19). Current Provisions

Description/Period	Accrued leave	Taxes provision	Gratuity Provision	Pension provision	Other provision	Total
	Kshs	KShs	Kshs	Ksh	KShs	KShs
Balance b/d (1.07.2021)	-	4,396,069	6,491,957	405,112	50,063,300	61,356,438
Additional Provisions	1,641,614	20,771,825	382,282		32,418,038	55,213,759
Provision utilized	(159,822)	-	(6,874,239)	(3,407)	(7,240,265)	(14,277,733)
Over/under provision	159,822	(4,396,096)			(42,823,035)	(47,059,282)
Transfers from non - current provisions		-			-	-
Total provisions at the end of the year	1,641,614	20,771,825	0	401,705	32,418,038	55,233,182

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Notes to the Financial Statements (Continued)

20). Non-Current Provisions Employee

Description/Period	Gratuity provisions	Other Provisions	Total
Description	KShs	KShs	KShs
Balance at the beginning of the year	1,364,420	-	1,364,420
Additional Provisions	2,497,835	-	2,497,835
Provision utilized		-	-
Change due to discount and time value for money		-	-
Less: Current portion		-	
Balance at the end of the year	3,862,255	-	3,862,255

21). Cash Generated from Operations

Description/Period	2021-2022	2020-2021
	KShs	KShs
Surplus for the year	(8,483,117)	(8,239,626)
Adjusted for:		
Depreciation	3,183,677	4,170,625
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	32,418,038	-
Contribution to impairment allowance	-	-
Finance income	-	-
Finance cost	-	-
Working Capital adjustments		
Increase in inventory	6,429,836	(6,249,710)
Increase in receivables	(1,813,538)	8,790,040
Increase in deferred income		-
Increase in payables	3,086,056	(7,650,229)
Increase in provisions	(2,497,835)	3,438,121
Net cash flow from operating activities	32,323,117	(5,740,779)

Notes to the Financial Statements (Continued)

22). Financial Risk Management

KYEB's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. KYEB'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. KYEB does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

i) Credit risk

KYEB 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 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. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by KYEB'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 KYEB's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description/Period	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2022				
Receivables from exchange transactions	46,040,750	46,040,750		
Less doubtful debts	(7,980,144)	(7,980,144)		
Receivables from non-exchange transactions	-	-		
Bank balances	50,553,864	50,553,864		
Total	88,614,470	88,614,470		
As at 30 June 2021				
Receivables from exchange transactions	45,242,830	45,242,830		-
Less doubtful debts	(7,552,886)	(7,552,886)		-
Receivables from non-exchange transactions	3,959,740	3,959,740		-
Bank balances	18,332,306	18,332,306		-
Total	59,981,990	59,981,990		-

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Notes to the Financial Statements (Continued)

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 KYEB has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. KYEB has significant concentration of credit risk on amounts due from its line Ministry. The board of directors sets KYEB'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 KYEB's directors, who have built an appropriate liquidity risk management framework for the management of KYEB's short, medium and long-term funding and liquidity management requirements. KYEB manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by KYEB 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.

As at 30 June 2022				
Trade payables	-	13,479,220	-	13,479,220
Current portion of borrowings	-	-	-	-
Provisions			53,233,182	53,233,182
Deferred income	-	-	-	-
Employee benefit obligation			3,862,255	3,862,255
Total				
As at 30 June 2021		13,479,220	57,095,437	70,574,657
Trade payables		10,393,164	-	10,393,164
Current portion of borrowings	-	-	-	-
Provisions			54,864,479	54,864,479
Deferred income	-	-	-	-
Employee benefit obligation	-	-	7,856,377	7,856,377
Total		10,393,164	62,720,856	73,114,020

Notes to the Financial Statements (Continued)

iii) Market risk

KYEB has put in place an internal audit function to assist it in assessing the risk faced by KYEB on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect KYEB's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. KYEB's Finance and Accounts Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to KYEB's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

KYEB has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. KYEB manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

The carrying amount of KYEB's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Financial Year 2022

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As At 30 June 2022			
Financial Assets			
Cash	50,571,628	-	50,571,628
Debtors	46,040,750	-	46,040,750
Total Financial Assets	96,612,378	-	96,612,378
Financial Liabilities			
Trade and Other Payables	13,479,220	-	13,479,220
Current provisions	55,233,182		55,233,182
Non- current provisions	3,862,255		3,862,255
Total Financial Liabilities	72,574,657	-	72,574,657

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Notes to the Financial Statements (Continued)

b) Interest rate risk

Interest rate risk is the risk that KYEB's financial condition may be adversely affected as a result of changes in interest rate levels. KYEB's interest rate risk arises from bank deposits. This exposes KYEB to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on KYEB's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

iv) Capital Risk Management

The objective of KYEB's capital risk management is to safeguard KYEB's ability to continue as a going concern. KYEB capital structure comprises of the following funds:

Retained Earnings	(4,751,027)	3,732,090
Capital Reserve	46,945,746	10,945,476
Total Funds	42,194,719	14,677,836
Less: Cash and Bank Balances	(50,571,628)	(18,392,261)
Net Debt/(Excess Cash And Cash Equivalentents)	(8,376,909)	(3,714,425)
Gearing	20%	25%

23). Related Party Disclosures

Nature of related party relationships

KYEB and other parties related to it include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of KYEB, holding 100% of KYEB's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of KYEB, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Board of directors
- v) Key management.

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Notes to the Financial Statements (Continued)

	2021-2022	2020-2021
	Kshs	Kshs
Transactions with related parties		
a)Sales to related parties		
Rendering services to govt agencies	17,374,642	43,910,063
Total	17,374,642	43,910,063
b)Purchases from related parties		
Rent expenses paid to govt agencies	9,660,076	10,424,688
Total	9,660,076	10,424,688
c)Grants /transfers from the government		
Grants from national govt	140,000,000	100,000,000
Total	140,000,000	100,000,000
d)Key management compensation		
Directors' emoluments	7,338,168	10,065,708
Compensation to key management	15,716,720	16,568,112
Total	23,054,888	26,633,820

24). Contingent Assets and Contingent Liabilities

Contingent Liabilities

	2021-2022	2020-2021
	Kshs	Kshs
Contingent Liabilities		
Court Case of former employees against the KYEB	16,860,000	17,294,430
Total	16,860,000	17,294,430

KYEB has an ongoing court case by its two former employees who are seeking compensation totalling to Kshs 16,860,000.

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Notes to The Financial Statements (Continued)

25). Capital Commitments

Capital Commitments	2021-2022	2020-2021
	Kshs	Kshs
Authorised for	18,772,474	0.00
Authorised and contracted for	13,983,376	0.00
Total	32,755,850	0.00

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing).

26). Events after the Reporting Period

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

27). Ultimate and Holding Entity

KYEB is a Semi- Autonomous Government Agency under the Ministry of ICT, Innovation and Youth Affairs. Its ultimate parent is the Government of Kenya.

28). Currency

The financial statements are presented in Kenya Shillings (Kshs).

Appendix

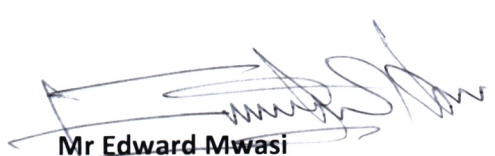
Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
FY 2020/21	Long outstanding receivables from exchange transactions	Follow up process has been undertaken	Not resolved	FY 2021/22
FY 2020/21	Unsupported current provisions	Draft policy in place awaiting Board review and approval	Not resolved	FY 2021/22
FY 2020/21	Unsupported payments of allowances paid to Directors	Board resolutions minutes available for scrutiny	Not resolved	FY 2021/22

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



Mr Edward Mwasu
Chief Executive Officer

Date: 29/09/2022

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Appendix II: Projects implemented by Kenya Yearbook Editorial Board

Projects implemented by the SAGA Funded by the Government.

Project title	Project Number	Donor	Period/duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
KYEB Office and services Automation		GoK	2 Years	56 million	No	Yes

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
KYEB Office & services automation	56 million	3,295,150	6%	36,000,000	3,295,150	GoK

NB: Total amount expended of Kshs 3,295,150 relates to the preliminary project's expenses.

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