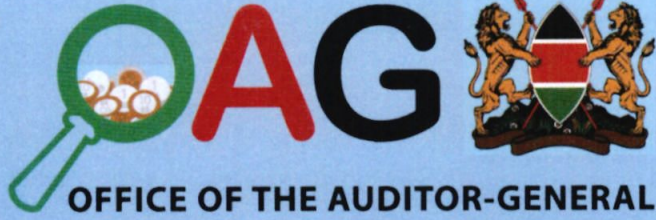


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**



**THE AUDITOR-GENERAL**

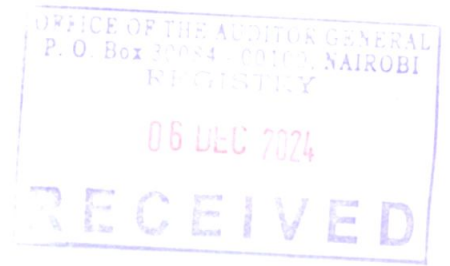
**ON**

**THE PRESIDENT'S AWARD KENYA**

**FOR THE YEAR ENDED  
30 JUNE, 2024**



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 APR 2025	DAY: Tues
TABLED BY:	DEPUTY LEADER OF THE MAJORITY PARTY
CLERK-AT-THE-TABLE:	P Muliga 



**THE PRESIDENT'S AWARD - KENYA**

Proud to be

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

In Kenya



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**THE PRESIDENT'S AWARD - KENYA  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

**The President’s Award-Kenya  
Annual Report and Financial Statements  
for the year ended June 30, 2024.**

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## **1. Acronyms and Definition of Key Terms**

### **A: Acronyms**

<b>CEO</b>	Chief Executive Officer
<b>CSR</b>	Corporate Social Responsibility
<b>GPA</b>	Group personal Accident
<b>IAF</b>	International Award Foundation
<b>ICPAK</b>	Institute of Certified Public Accountants of Kenya
<b>ICT</b>	Information Communication Technology
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>KEFRI</b>	Kenya Forestry Research Institute
<b>KESSHA</b>	Kenya Secondary Schools Heads Association
<b>MDAs</b>	Ministries, Departments and Agencies
<b>OAG</b>	Office of the Auditor General
<b>ORB</b>	Online Record Book
<b>PA-K</b>	The President's Award - Kenya
<b>PFM</b>	Public Finance Management
<b>PIC</b>	Parliamentary Investments Committee
<b>TSC</b>	Teachers Service Commission
<b>WIBA</b>	Work Injury benefit Act

**B: Definition of Key Terms**

**Award Centre:** An institution, whether formal or informal, licenced by PA-K to run the Award Programme

**Award Leader:** An individual trained and recognized by PA-K to guide Award participants

**Award Participant:** A young person registered and taking part in the Award Programme

**Fiduciary Management:** Members of Management directly entrusted with the responsibility of financial resources of the organization

**Online Record Book:** An online platform used by Award Participants to record their activities on regular basis

**Volunteer:** An individual, mostly an Award Holder, who is trained and engaged by PA-K in Award Programme related activities for no remuneration

**Comparative Year-** Means the prior period.

## **2. Key Entity Information and Management**

### **(a) Background information**

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

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

### **(b) Principal Activities**

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

#### **Vision**

Reach young people in Kenya and equip them with life skills to succeed in life.

#### **Mission**

To provide and support a framework for non-formal education and learning that enables young people to undertake voluntary activities which will allow them to discover their passion, purpose and place in the world; lead healthy lifestyles; and make a positive contribution to society.

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**PA-K's strategic objectives are:**

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

**(a) Key Management**

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

No.	Designation	Name
1.	Chief Executive Officer (Term ended on August 2024)	Nellie Munala
2.	Chief Executive Officer (Term started on November 2024)	Margaret Kiogora (CHRP-K)
3.	Deputy Director, Programmes and Projects Co-ordination	Maria Birgen
4.	Principal Accountant	Grace Musyoka
5.	Senior Human Resource Officer	Wendy Langat
6.	Supply Chain Management Officer	Alex Katabwa

**(b) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEO	Nellie Munala
2.	Head of Finance	Grace Musyoka
3.	Head of Procurement	Alex Kamba

**(c) Fiduciary Oversight Arrangements**

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

**Audit, Risk and Compliance Committee**

The functions of the Audit, Risk and Compliance Committee include:

To review the Board's internal financial controls and risk management systems and advise on risk areas.

To monitor and review the effectiveness of the Board's internal audit function and make recommendations to the Board.

To review and monitor the internal auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements.

To advise the Board on matters related to audit and Governance.

To handle audit issues.

To ensure compliance with the legal and statutory requirements.

**Finance and General Purpose Committee**

The functions of the Finance and General Purpose Committee include:

**a) Organizational Structure and Staffing Levels**

- i) Ensure the PA-K has in place Human Resources Strategic Objectives
- ii) Ensure the implementation of the Human Resources Strategic Objectives

- iii) Review and propose an optimal organizational structure
- iv) Review staffing requirement and recommend optimal staffing levels

**b) Recruitment and Retention Policies**

- i) Ensure the PA-K has in place a recruitment and retention policy
- ii) Ensure there is in place staff terms and conditions of service
- iii) Undertake reviews of Terms and Conditions of Service for Staff and make recommendations to the Board for consideration and action
- iv) Receive assurance from Management that the staff recruited are of the appropriate skills and that the PA-K supports appropriate policies and schemes for their attraction motivation and retention
- v) Review and make recommendations on staff remuneration
- vi) Review and ensure that the PA-K has an effective succession plan
- vii) Shortlist and interview candidates for advertised senior management positions
- viii) Provide policy guidelines on staff welfare, training, industrial relations and work environment

**c) Training and Development of Staff and Board members**

- i) Ensure that the PA-K has in place a skills development policy for staff
- ii) Review the staff training and development program to ensure it is in line with the PA-K's Human Resources Strategic Objectives
- iii) Work with Management to establish continuing programs for Board members which are appropriate and relevant to enable the Board members to maintain and enhance their skills and abilities and ensure their knowledge and understanding of the PA-K's business remains current.

**d) Staff Discipline**

- i) Ensure that there is in place a staff Disciplinary policy
- ii) Review and deal with disciplinary matters for senior staff
- iii) Receive and consider disciplinary appeal cases from members of staff and make appropriate decisions

**e) Finance and Procurement Functions**

- i) Reviewing and making recommendations to the Board on the financial strategy of the PA-K ensuring its adequacy and soundness in providing for current operations and long-term stability
- ii) Reviewing, discussing and making recommendations to the Board on significant financial planning, management and reporting issues

- iii) Review budgeting process, systems and cycle to support the PA-K's Strategy and activities in line with public sector requirements
- iv) Advising the Board on sources of finance to ensure that there are sufficient financial resources to carry out the PA-K's activities and fulfil its objectives
- v) Advising the Board on income generation and seek appropriate advice from external sources
  - a) Ensuring all expenditures of the PA-K are within the approved budgets
  - b) Reviewing and making recommendations to the Board on financial issues arising from the annual financial statements of the PA-K
  - c) Reviewing procurement and disposal plans and consolidated annual procurement plan and submitting them to the Board for approval
  - d) Monitoring the management's strategy towards ensuring efficiency and integrity of the PA-K's procurement systems

**Technical Committee**

The functions of the Audit, Risk and Compliance Committee include:

**a) Supervision Function**

- i) Providing policy guidance on technical aspects of the PA-K's functions
- ii) Reviewing and advising the Board on technology budgets as well as major investments in new operational models and information technology platforms, investments, partnerships and alliances
- iii) Making recommendations to the Board with respect to thematic projects and investments that require Board approval
- iv) Periodically reporting to and consulting with the Audit, Risk and Compliance and Human Resource, Finance and General-Purpose Committees of the Board regarding ICT systems and processes that relate to or affect the PA-K's internal control systems.

**b) Research Function**

- i) Reviewing and monitoring operational strategy based on current social, economic, legal and political factors
- ii) Preparing relevant memoranda for submission to the government to influence policy and budgetary pronouncements
- iii) Reviewing issues affecting the acceptance of the PA-K's policy prescriptions by government and other stakeholders
- iv) Reviewing and making recommendations on significant emerging issues, policy briefs and regulatory improvements

- v) Making delegation of PA-K and responsibilities of the Committee to the management as the Committee deems appropriate and periodically review such delegations.

### **Parliamentary Committee Activities**

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

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

#### **(d) Entity Headquarters**

P.O. Box 62185, 00200

PA-K Building

15 Elgon Road, Upper hill

Nairobi, Kenya

#### **(e) Entity Contacts**

Telephone: +254722714122 and +254787419325

E-mail: [info@presidentsaward.or.ke](mailto:info@presidentsaward.or.ke)

Website : [www.presidentsaward.or.ke](http://www.presidentsaward.or.ke)

#### **(f) Entity Bankers**

Kenya Commercial Bank

Kipande House Branch

P.O. Box 30012

Nairobi, Kenya



**(g) Independent Auditor**

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

**(h) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya




**3. The Board of Directors**

Ref	Directors	Details
1.	 <p data-bbox="331 719 746 757">Dr. Fr Wakimani Wamugunda D.</p>	<p data-bbox="818 488 1452 622">Dr. Fr Wakimani Wamugunda D was re-appointed as the President's Award – Kenya Non-Executive Board Chairperson on 18<sup>th</sup> March, 2022.</p>
2.	 <p data-bbox="331 1373 724 1411">Susan Nkirote Omanga, MBS</p>	<p data-bbox="818 779 1452 1182">Susan was re-appointed as a member of the President's Award – Kenya Board on 10th May, 2022. She founded Exclamation Marketing Ltd in 1998, a fully-fledged marketing communications agency which serves local and international clients. Previously Susan was Head of Marketing, Standard Chartered Bank in East Africa and Marketing Manager, Barclays Bank of Kenya</p> <p data-bbox="818 1198 1452 1391">She holds a Bachelor of Science in Business Management and Marketing with a minor in advertising from Rocky Mountain College, Billings, Montana, USA.</p> <p data-bbox="818 1406 1452 1547">Susan is a Non- Executive and Independent Board Member. She is the Chairperson of the Audit, Risk and Compliance Committee.</p>


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<p>3.</p>	 <p>Sylvia Wairimu Mulinge, MBS</p>	<p>Sylvia was re-appointed as a member of the President’s Award – Kenya Board on 10<sup>th</sup> May, 2022. She is currently serving as a CEO at MTN Uganda. She has developed a track record in the strategic thinking, new business development, commercial execution and people development in the Fast Moving Consumer Goods and Telecommunications sector.</p> <p>She holds a BSc – Food Science and Technology degree from the University of Nairobi.</p> <p>She is a Non-Executive and independent Board Member. She is a member of the Technical committee.</p>
<p>4.</p>	 <p>Sachin Chandaria, MBS</p>	<p>Sachin was re-appointed as a member of the President’s Award – Kenya Board on 10<sup>th</sup> May, 2022.</p> <p>He is a well-rounded and influential businessman having been involved in running the family business traversing different countries like North America, Europe, Africa and the Middle East where he has gained both local and global wealth of experience.</p> <p>He is a graduate with Honours in Chemistry and Management from Imperial College in London.</p> <p>He is a Non- Executive and Independent Board member. He is the Chairperson of the Finance and General Purpose committee and a member of the Technical committee.</p>


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5.	 <p>Edwin Otieno Joseph, MBS</p>	<p>Edwin was re-appointed as a member of the President's Award – Kenya Board on 10th May, 2022. He is a Non-Executive and Independent Board member. He is the Chairperson of the Technical committee and a member of the Finance and General Purpose committee.</p>
6.	 <p>Anne Chelangat</p>	<p>Anne was appointed as a member of the President's Award – Kenya Board on 12<sup>th</sup> September, 2022 as an alternate to the Cabinet Secretary, National Treasury. She is a Senior Deputy Secretary/Administration at the National Treasury. She has previously held different positions in various Ministries.</p> <p>She holds a Masters of Business Administration (MBA) – General Management and Information Systems. Bachelor of Arts – Political Science and Sociology, Strategic Leadership, Senior Management and Advanced Public Administration Courses. She is a member of the Finance and General-Purpose committee</p>
7	 <p>Olivia A. Ouko</p>	<p>Olivia was appointed as a member of the President's Award – Kenya Board on 12th September, 2022 as an alternate to the Cabinet Secretary, State Department for Youth Affairs and Creative Economy. She is currently the Regional Coordinator, Youth Affairs, Western Region. She has previously held different positions at the ministry and as CEO at National Youth Talent Academy (NYTA). In 2015, she was</p>

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		<p>awarded the Excellence &amp; Woman of the Future Award from the Ministry of Gender Equality and Family, Seoul, South Korea.</p> <p>She holds a Masters of MSc. Recreation &amp; Sports Management, MSc. Sports Science, Bachelor of Education, Strategic Leadership and Senior Management Courses.</p>
8.	 <p>Nellie Munala, MBS</p>	<p>Nellie served as the Chief Executive Officer at The President's Award-Kenya until the end of August 2024. Her experience includes 11 years international development exposure, which includes, 4 years working in conflict and post conflict communities in Rwanda and the DR Congo with Voluntary Service Overseas and MONUC (UN Mission to Congo) in the child, youth and gender sectors and 7 years in Zambia with the Commonwealth Secretariat, Youth Affairs Division, in the youth development sector.</p> <p>She holds a Master of Arts degree in Development Studies from Erasmus University, International Institute of Social Studies, The Hague, The Netherlands; a Bachelor of Arts degree in Sociology from the University of Nairobi; graduate and postgraduate qualifications in journalism and Mass Communication from the Kenya Institute of Mass Communication (KIMC) as well as Strategic Leadership Development Programme (SLDP) from Kenya School of Government. She is Secretary to the Board. She served as a secretary to the Board up to August 2024.</p>



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<p>9.</p>	 <p>Margaret Kiogora, CHRP(K)</p>	<p>Ms. Margaret was born on 25<sup>th</sup> July 1984. She holds a Master’s degree in Business Administration and a Bachelor of Arts degree in International Relations. She is also a Certified Human Resource Professional in Kenya in good standing. In addition, she is a holder of a Certificate in Monitoring &amp; Evaluation.</p> <p>Ms. Margaret is an experienced Human Resource professional with a history of working for the government of Kenya at a strategy level in matters on Youth leadership and governance. She also prides herself with vast experience in Banking and hospitality industries.</p> <p>Margaret currently serves as the Chief Executive Officer at the President’s Award Kenya and sits as a Secretary to the Board of Trustees effective November 2024.</p>
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4. Key Management Team

	Management	Details
1.	 <p>Margaret Kiogora, CHRP(K) Master in Business Administration Bachelor of Arts in International Relations Certified Human Resource Professional – Kenya Certificate in Monitoring and Evaluation</p>	Chief Executive Officer (Joined PA-K in November 2024)
2.	 <p>Nellie Munala, MBS Master of Arts, Development Studies Postgraduate Certificate in Mass Communication Postgraduate Certificate in Journalism Bachelor of Arts, Sociology Strategic Leadership Development Programme (SLDP)</p>	Chief Executive Officer (Her term ended in August 2024)


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3.	 <p>Maria Birgen Master of Science Project Management Master of Arts Media and communication Bachelor of Arts International Relations Senior Management Course</p>	Deputy Director, Programmes & Projects Coordination
4.	 <p>Grace Musyoka Master of Business Administration Bachelor of Business Administration (Finance and Accounting) CPA (K) Strategic Leadership Development Programme (SLDP)</p>	Principal Accountant

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	Senior Management Course	
5.	 <p>Wendy Langat</p> <p>Master in Business Administration - HRM Bachelor of Science in Hotel and Restaurant Management Higher Diploma in Human Resource Management Certified Human Resource Professional (CHRP-K)</p>	Senior Human Resource Management Officer
6.	 <p>Neddy Mbori</p> <p>Bachelor in Business Management Diploma in Journalism</p>	Senior Public Communications Officer
7.		Supply Chain Management Officer

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	<p>Alex Kamba Bachelor of Business Administration- Entrepreneurship Diploma in Purchasing and Supplies Management CIPS Level 4 Diploma in procurement &amp; Supply</p>	
8.	 <p>Bachelor of science in Information Technology Cisco Certified Network Associate (CCNA) IBM Security Intelligence Analyst</p>	<p>ICT Officer</p>

## **5. Chairman's Statement**

Dear Stakeholders,

It is with great pride that I present to you the achievements of the President's Award - Kenya (PA-K) for the Financial Year 2023/2024. As Chairman, I am honored to lead an organization that continues to play a pivotal role in shaping the future of Kenya's youth.

### **Our Mission and Alignment**

PA-K remains steadfast in its commitment to empowering young Kenyans aged 14-24, providing them with opportunities for personal growth, leadership development, and community engagement. Our efforts align seamlessly with national and global development goals, including the Bottom-Up Economic Transformation Agenda, Kenya's Vision 2030, and Africa's Agenda 2063.

### **Key Achievements**

I am pleased to report significant progress in several areas:

1. We welcomed 8,201 new participants this year, expanding our reach through 310 new Award Centers across Kenya, including previously underserved regions.
2. Our training initiatives saw 526 new Award Leaders join our ranks, with refresher training provided to 289 existing leaders, ensuring high-quality program delivery.
3. We've made substantial strides in digital transformation, streamlining our registration and program delivery processes.
4. Our partnerships, particularly with the Ministry of Education and the Teachers Service Commission, have strengthened, allowing us to integrate our program more deeply into the educational framework.
5. Through projects like Compass and KUZA, and our collaboration with the MasterCard Foundation, we've extended support to underprivileged youth and institutions, reinforcing our commitment to inclusivity.

### **Challenges and Future Focus**

While we celebrate our successes, we acknowledge the challenges faced, particularly in financially constrained institutions and remote areas with limited technological access. Moving forward, we are committed to expanding our reach, enhancing inclusivity, and leveraging digital innovation to overcome these hurdles.

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**Gratitude**

None of our achievements would have been possible without the unwavering support of The Government of Kenya, Board members, PA-K staff, our donors, sponsors, partners, Award Leaders, volunteers, and participants. Your dedication and belief in our mission have been instrumental in our success.

As we look to the future, I am confident that together, we will continue to empower Kenya's youth, equipping them with the skills and experiences they need to become tomorrow's leaders and change-makers.

Thank you for your continued support of the President's Award - Kenya.



**Dr. (Fr.) Wakimani Wamugunda D.**

**Chairman, Board of Directors**

## **6. Chief Executive Officer's Statement**

As the Chief Executive Officer of the President's Award – Kenya (PA-K), I am honored to highlight the key achievements of the Financial Year 2023/2024. This period has been marked by growth, inclusivity, and impactful partnerships that have expanded our reach to more young people, institutions, and communities across the country.

Since the formalization of PA-K under the President's Award Act of 2017, we have evolved into a cornerstone of youth development in Kenya, aligning our mission with national and global frameworks. Our initiatives equip young people with essential skills and prepare them to address societal challenges.

Strategic partnerships have been crucial to our success. The Ministry of Youth Affairs, Creative Economy, and Sports has provided strong operational support, while the Ministry of Education and Teachers Service Commission have helped integrate our program into the educational system.

Looking ahead, we will focus on leveraging our global affiliation with the Duke of Edinburgh's Award, fostering alumni networks, and building more partnerships. Our efforts will aim to improve inclusivity, streamline operations, and ensure impactful experiences for all participants.

### **Challenges**

The President's Award Kenya continues to navigate through some challenges as highlighted below;

**Human Resources-** The current President's Award – Kenya staff complement is only 26% of the recommended staff establishment and therefore, inadequate to achieve its stated mandate. **Financial**

**Resources-** The current annual Government subvention to the President's Award – Kenya is insufficient to meet the budgetary requirements to effectively deliver the programmes and projects in line with the organization strategy.

**Visibility-** The awareness of the Programme in the community and especially beyond the capital city is limited. This has an implication on the enrolment rates of young people in the Award programme as well as engagement of adults and potential supporters. The entity continues to explore opportunities to influence social policy and practice in youth as well as national development. So far PA-K has worked with different stakeholders to improve its visibility among the partner institutions, however more needs to be done to bring onboard more partner institutions to enhance it's visibility.

**Lack of Own Office Space-**PA-K does not have ownership of its current office premise.

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In conclusion, I extend heartfelt thanks to all stakeholders for their dedication to our mission of empowering Kenyan youth. Together, we will continue to inspire and cultivate the next generation of leaders, making PA-K a beacon of hope and opportunity for young people across Kenya.



.....  
**Margaret Kiogora (CHRP-K)**

**Chief Executive Officer**

**7. Statement of Performance against Predetermined Objectives for FY 2023/24**

The Award Programme delivery mirrors the national development framework in order to significantly reach out to the youth segment both in and out of school. PA-K continues to deliver on its mandate and provide avenues for alternative learning. PA-K has the following key impact areas:

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

The President’s Award - Kenya has 4 strategic pillars within the Strategic Plan;

- i. Reach
- ii. Access
- iii. Impact
- iv. Strengthening of Strategic Objectives

The President’s Award - Kenya develops its annual work plans based on the above 4 strategic pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The President's Award - Kenya achieved its performance targets set for the FY 2023/24 period for its 4 strategic pillars, as indicated in the table below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Reach	Enroll 7,000 new participants from diverse backgrounds across the country	No. of new participants enrolled	Award presentations and sensitization sessions to	8,201 new participants enrolled

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	<p>Train 800 Award Leaders</p> <p>Sensitize 300 heads of institutions</p> <p>Reach out and support 300 Award Centres</p>		<p>prospective Institutions</p> <p>Induction of Award Leaders and students</p> <p>Award leaders Sensitization of heads of institutions</p>	<p>825 Award Leaders were trained</p> <p>233 heads of institutions were sensitized on the Award Programme during KESSHA meetings</p> <p>310 Award centres were reached and supported</p>
Access	Remove barriers to entry to the Programme	Support 100 participants through the Mastercard Foundation project	Support funded projects	100 young persons supported to undertake the Award programme through the Mastercard Foundation project.
Impact	<p>Plant 10,000 trees through the award participants</p> <p>Engage 200 volunteers in Award Activities</p> <p>Award 6,800 Bronze, Silver and Gold certificates</p>	<p>Number of trees planted</p> <p>Number of volunteers engaged</p> <p>Number of Awardees for Silver and Bronze levels</p>	<p>Organize tree planting activities</p> <p>Engage volunteers in PA-K activities</p> <p>Hold regional ceremonies for Silver and Bronze</p>	<p>30,200 trees were planted by Award participants and staff and board members</p> <p>Engaged 300 volunteers in Award activities</p> <p>7,500 qualified for Bronze, Silver and Gold certificates</p>
Strengthen Strategic Objectives	<p>Document impact stories</p> <p>Prepare annual and mid-year personal work plans</p> <p>Installation of ERP System</p>	<p>Number of stories documented</p> <p>Number of reports for work planning</p> <p>ERP System installed</p>	<p>Identify and document stories of change</p> <p>Do individual work plans</p> <p>Install ERP System</p>	<p>1 Documentary developed</p> <p>Annual work plan developed</p> <p>ERP system in place</p>

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	<p>Comply with International Award Licence standards</p> <p>To expand PA-K resource base</p>	<p>Implement License requirements</p> <p>Develop Partnerships</p>	<p>Implement improvement plans</p> <p>Develop partnerships</p>	<p>License recommendations were implemented</p> <p>Partnerships developed with Safaricom PLC, IAF and Mastercard Foundation</p>
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## **8. Corporate Governance Statement**

The Board of Directors of the President's Award-Kenya believes that high standards of corporate governance will foster a culture that values integrity and ethical behaviour which are essential for sustainable long-term performance and creating shareholder value. The Board has established a corporate governance framework, the key features of which are set out in this corporate governance statement.

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

### **Role and Responsibilities of Directors and Management**

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

### **Attendance to Board meetings by Board of Directors**

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

No of meetings held during the FY 2023/24 are as follows:

<b>Meetings held</b>	<b>No of meetings</b>
Full Board meetings	3
Board Committee meetings	6

### **The President's Award – Kenya Operation Instruments**

The President's Award – Kenya obtained approval of its operational instruments by the State Corporation Advisory Committee (SCAC) in August 2020 which categorized PA-K as a service state corporation PC 3C funded from the Exchequer. Further in December 2020 the President's Award - Kenya human resource instruments were approved by the State Corporation Advisory Committee.

### **Trustee's Skills and Experience**

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

### **Succession plan**

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

### **Appointment and removal of Directors**

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

### **Conflict of Interest**

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

The entity's Board of Directors were re-appointed for a further three (3) year term vide Kenya Gazette Notice Vol. CXXIV No. 85 dated 10<sup>th</sup> May 2022, Gazette Notice No. 5376 and re-appointment of the

**The President's Award-Kenya  
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for the year ended June 30, 2024.**

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Board Chairman for a further three (3) year term vide Kenya Gazette Notice Vol. CXXIV No. 61 dated 8<sup>th</sup> April 2022, Gazette Notice No.3824.

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

i) Technical Committee

- a) Edwin Otieno – Chairperson
- b) Sylvia Mulinge
- c) Sachen Chandaria
- d) Anne Chelangat

ii) Human Resource, Finance and General-Purpose Committee

- a) Sachen Chandaria- Chairperson
- b) Anne Chelangat
- c) Edwin Otieno

iii) Audit, Risk and Compliance Committee

- a) Susan Omanga- Chairperson

The gazetted Boards' operations are guided by the President's Award Act, 2017, the State Corporation's Act as well as Mwongozo in its undertakings. PA-K does not remunerate its Board of Directors, but reimburses costs incurred in their line of duty as required by various directives.

**Board Training**

Three (3) Directors attended a training on Audit organized by the Institute of Internal Auditors and Three (3) Directors attended a training on Governance organized by Institute of Corporate Governance.

**Board Self Evaluation FY 2023/2024**

The State Corporation Advisory Committee (SCAC) facilitated the President's Award – Kenya Board of Directors Self Evaluation for the period FY 2023/2024. The Self Board Evaluation is a requirement for all State Corporations to undertake annually. The process identifies gaps in Governance processes thus enabling State Corporations to focus on improving on identified areas of improvement.

## **9. Management Discussion and Analysis**

### **i) PA-K's Operational and Financial Performance**

During the Fys 2021/22, 22/23 and 23/24 PA-K continued to deliver on its mandate of enrolling young people in the Award Programme. Key activities undertaken were onsite presentation of the Award to institutions, training of key Award stakeholders, engagement of volunteers in the Award programme activities and awarding participants after completion of the Award programme.

In terms of financial performance, over the three-year period, PA-K received Government support amounting Kshs. 30 million FY 2021/22, 30 million, FY 2022/23, and Kshs.50 million FY 2023/24 from State Department for Basic Education and Kshs. 20 million FY 2021/22, Kshs.20 million FY 2022/23 and Kshs.20 million FY 2023/24 from the State Department for Youth Affairs and Creative Economy. Further Kshs. 200 million was received from Sports Fund in FY 2022/23. Airtime donations were received from Safaricom PLC cards worth 10 million. Cash donations were received from partners amounting 4 million. The funds enabled the organization to enroll new participants in the programme and facilitate retention of the existing ones as enumerated in the key projects.

### **ii) PA-K's Compliance with Statutory Requirements**

PA-K continues to comply with statutory requirements and there are no current situations which may risk the compliance status. Among the notable compliances are registration of the workplace, GPA and WIBA insurance, payment of statutory deductions and taxes, honouring agreements with suppliers, as well as maintaining no pending bills as required.

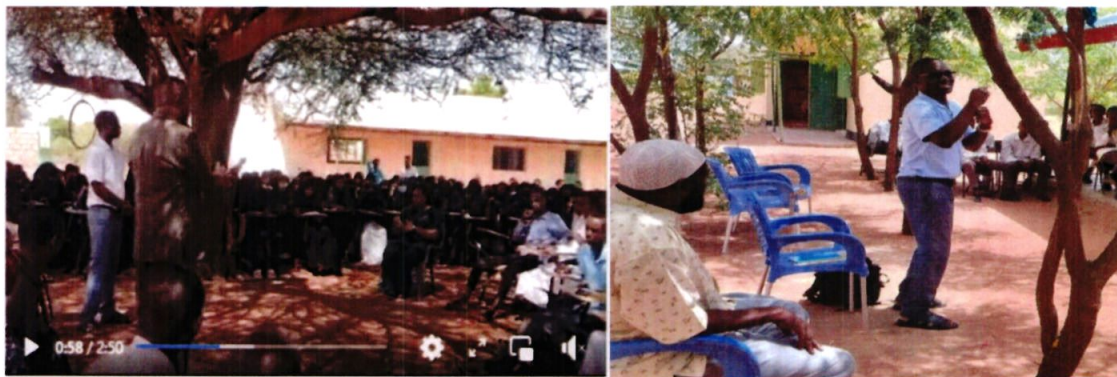
### **iii) Key Projects and Investment Decisions Implemented**

PA-K has impacted many young people through enrolling them into the Award Programme, training Award leaders and heads of institutions who are their mentors and engaging the young people in voluntary and environment related projects, some of which are as enumerated below. All projects were funded by government subventions, donations and internally generated funds and therefore PA-K did not accumulate any debts as a result of implementing these projects

## **1. Award Presentations**

### **A. Presentation in Institutions**

In the period, as part of an orientation program for first year trainees from Teacher training colleges and universities, The President's Award-Kenya (PA-K) presented the Award programme to the trainees with a view of expanding the Award programme. Similar presentations are conducted across the Country.



*Presentation to fresh men and women at Aberdare and Kamwenja Teachers Training Colleges, Wajir East Teachers College and Wajir Special school Secondary for the Deaf and respectively*

### **B. President's Award Education Day**

In the year President's Award Education Day was held in Kirinyaga county where over 23 schools in the Award and those aspiring to begin the Award journey converged at Baricho Boys High School to learn more about the programme. The students were taken through the key areas of the Award including leadership, community service, skill development, and physical recreation as well as the benefits of joining the programme. Mary Hill Girls, Murang'a High School, Karima Girls, Chania Boys, Kerugoya Boys, Karoti girls, Ng'aru girls, Bishop Gatimu High School were in attendance

among other schools. Similar events are usually held across the Country to create awareness on the Award Programme.



### **C. Mentorship Camp**

In the year, PA-K took part in a mentorship camp organized by Her Excellency Governor Gladys Wanga. PA-K had the opportunity to talk about the Award programme to over 5,000 students from 33 boys' school in Homabay county.



*PA-K DDPP Maria Birgen addressing the students at Wangapala Boys Secondary school in Homabay County.*

### **2. Award Leaders Induction**

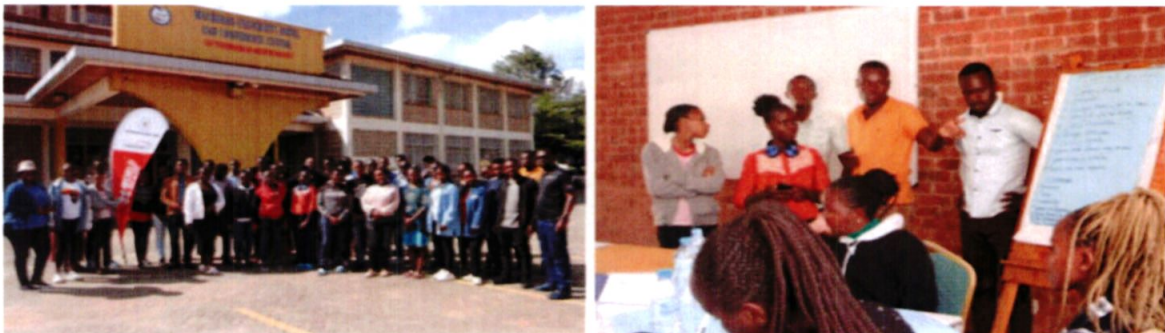
In the year Award leaders from institutions which had shown interest in the programme were inducted into the Award Programme



*Award Leaders from Nairobi Region after an induction session at the PA-K Offices*

### **3. New Award Leaders Training**

In the period 21/22,22/23 and 23/24, 5,322 Award leaders have been trained both physically and virtually across the Country. This intensive training program equips young leaders with the knowledge and skills to guide young people through the transformative journey of the Award programme.



*Students from Mwingi, Kangundo, Kitui, Makindu, and Makueni Kenya Medical Training Colleges pose for photos during a training held at Machakos University.*

#### 4. Heads of Institutions Symposium



*Heads of Institutions Symposium for Coast and North-Rift Regions respectively*

#### 5. Adventurous Journey



*Silver Level Award participants from Lukenya girls and Bronze Level Award participants from Makueni Girls, Kenya High and Lukenya Boys during an Adventurous Journey at Kaseve Primary School in Machakos County*

## 6. Bronze and silver Award ceremonies



*Board of Trustee Susan Omanga presents a certificate to an Award leader from Shimo-La- Tewa Borstal institution, Mombasa County.*

## 7. Award Impact

Some of the impactful activities done by participants were as below

**TOP STORY**

**Fifteen (15) participants from Nairobi Technical Training Institute (NTTI) made a meaningful impact with their Gold Award Residential Project at Machakos School for The Deaf. The team dedicated their time to install tiles in the administration block, transforming it into a space with a fresh, new look. This was more than a project; it was a testament to the power of community service and the positive change young minds can bring.**



Bravo team NTTI Nbi Region! Your commitment to service and transformative projects is truly commendable. The renovation at Machakos School for The Deaf not only demonstrates your dedication to the Gold qualifications but also showcases the positive impact you're making in the community. Keep shining as beacons of inspiration, and thank you for your outstanding contribution!

**Nairobi Technical Training Institute President's Award Unit**

Share your story with us....

**TOP STORY**

**A team from President's Award Egerton University Unit started a school, Duker's Embolloi Education Centre in Mashauru, Kajiado County. During their recent visit from November 10th to 12th, 2023, the team displayed exceptional dedication and compassion to the Award's values. Despite facing challenges, the team's commitment to community service and monitoring students' academic progress shone through. They trekked from Mashauru town to Embolloi Village, crossing a river due to the lack of a bridge, and successfully achieved their #NoKidAtHome goal. Activities included digging a dust pit, donating stationery, and conducting meetings with teachers and the community to enhance efficiency.**



Kudos to the President's Award Egerton University Unit for your remarkable commitment! Despite the challenging conditions, your dedication to community service at Duker's Embolloi Education Centre in Mashauru, Kajiado County, shines through. Your perseverance in creating a positive impact truly embodies the spirit of #NoKidAtHome. Keep making a difference, and thank you for inspiring us all with your unwavering efforts!

**Egerton President's Award Unit**

Share your story with us....

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The President's Award Kenya | #presidentsaward | the\_presidents\_award\_kenya | The President's Award - Kenya



*Senior Programs and Projects Coordination Officer Mr. Jinnarius Wambugu, hands over four litter bins donated by participants from Thika Prison as part of their voluntary service to DPC Mr. Henry Limanye at the prison grounds.*



*Award participants from Laikipia and Egerton Universities at Gilgil Highway Primary School during a Gold Residential Project undertook to partition the kitchen with a 9-course stone wall and cement the kitchen floor. Aside from that, the team repaired the kitchen's brick cookers and reinstalled the kitchen chimneys*



*Outgoing MFA Executive Head of School Mr. Alan Adlington-Corfield walking to a borehole site with CEO Nellie Munala and a local representative and pupils from Shitirira. 128 Gold Awardees from Mpesa Foundation Academy (MFA) as part of their PA-K Gold Residential Project constructed and handed over a borehole project worth Ksh 1.2M to a Shitirira Mixed Day Boarding Primary School in Malava, Kakamega County.*



*A visit to Tabagon Girls' by the PS Education Dr. Belio Kipsang to assess the ongoing projects and programmes courtesy of the President's Award-Kenya Programme participants. The participants with assistance from different stakeholders have so far planted over 5,000 tree seedlings.*



*Tree Planting initiatives by Shikusa Borstal institution and St. Thomas Girls Secondary school in Kilifi County. Shikusa Bortal participants have established a tree nursery of 10,000 seedlings. St. Thomas Girls Secondary School participants plans to plant 25,000 trees each year*

**iv) Major Risks Facing the Entity.**

There are no major risks facing The President's Award Kenya

**v) Material Arrears in Statutory/Financial Obligations**

The President's Award Kenya does not accumulate financial obligations and pays any immediately they arise. As at 30<sup>th</sup> June 2024, there were no material statutory/ financial obligations to be met.

**vi) The Entity's Financial Probity and Serious Governance Issues**

The President's Award Kenya did not face any financial improbability or any serious governance issue in the period ended 30<sup>th</sup> June 2024.

## **10. Environmental and Sustainability Reporting**

The President's Award - Kenya is sensitive to its sustainability and also the need for environmental conservation and improvement. Below is an outline of the PA-K's policies and activities that promote sustainability and response to environmental concerns.

### **Sustainability Strategy and Profile**

PA-K has both national and international obligations and is therefore exposed to not just local but also international forces. The management has put in place various measures to ensure that the organization is able sustain itself in the medium- and long-term period. Some of the initiatives put in place are;

- ★ Diversifying revenue sources to reduce overreliance on single source
- ★ Operating through award leaders and volunteers which reduces operating expenses and creates a large pool of individuals capable of delivering the award
- ★ Aligning its activities with the Government priority agenda by incorporating government directives in its operations like tree planting
- ★ Establishment of an affective governance and internal control system to guard the resources of PA-K and steer the organization to success
- ★ Establishment of a Partnership department to spearhead fundraising activities
- ★ Enhanced management of revenues and expenditure through development of finance policies
- ★ Increased numbers of Award Participants and Award Centres
- ★ Creating partnerships with close entities for funding of projects and other areas of collaboration
- ★ Emphasizing on results through performance contracting

It is expected that the macroeconomic conditions affect the operations of any organization within an economy. However, PA-K does not foresee any adverse effects on the Award Programme by the prevailing market prices. The organization is ready to respond to any eventualities and would focus on minimizing any factor that may limit award participation.

### **Environmental Performance**

The President's Award - Kenya is fully aware of climate change effects and is therefore, cautious of the environment and strives to preserve it. It is core to the delivery of the Award and is emphasized especially during Adventurous Journeys. The following are the measures taken by PA-K to be responsive to the need for environmental performance;

- ★ Partnering with KEFRI to enable acquisition of seedlings for use by Award Centres to plant in their surroundings and also for planting by staff during the national tree planting days
- ★ Contributing to the national tree planting campaign by staff planting more than 1,000 trees and award participants planting indigenous trees in the coast region
- ★ Participating in tree planting exercises organized by PA-K itself, Award Centres as well as other partner organizations like NETFUND to help mitigate the effects of climate change
- ★ Digitizing operations and minimizing paperwork and be more environmentally responsive
- ★ Emphasizing on the use of Online Record Book by the Award Participants which substitutes the manual booklet and hence save on paper which is an environmentally responsive strategy
- ★ Emphasizing on Award Participants to be cautious of the safety of their environment

Whereas there are challenges with availability of resources to be able to do these initiatives in a large scale, it is believed that the actions by PA-K sets an example in the communities where we operate in and would be emulated for higher results.

#### **Employee Welfare**

To ensure that PA-K is responsive to the welfare of its employees, human resource policy documents have been developed to guide the PA-K workforce. The policies were developed through coordination with different stakeholders and has been the reference point for every action from hiring to induction and engagement. Some of the actions which show PA-K is responsive to the welfare of its staff are;

- ★ Fair remuneration in consideration of the guidelines offered by SCAC and SRC
- ★ Payment of employee salaries on time
- ★ Payment of employee medical scheme
- ★ Offering trainings to staff as guided by skills gap analysis
- ★ Fair distribution of responsibilities
- ★ Taking insurance covers for WIBA and GPA
- ★ Facilitating resources for online trainings on the Global online resource centre
- ★ Sensitizing staff on work life balance and self-mental health
- ★ Encouraging teamwork and team results

These actions are guided by PA-K Human Resource Policies and Procedures, Career guidelines, Organizational Structure as well as the National Policies guiding the hiring process in the Public Sector. As at the close of FY 2023/24, the proportion of employees was 40% and 60% for females and males, surpassing the minimum requirement of 33% on either gender.

### **Marketplace Practices**

The President's Award - Kenya practices fair actions in the marketplace. The organization does not engage in corrupt or unfair practices to raise its revenue and is politically neutral. The organization also recognises the contribution of its partner organizations like Scouts Movement, and Volunteer service organizations among others, and strives to complement their contribution, as they do to those of PA-K. In publicizing the Award, PA-K does not suggest that the Award is better than the product offered by its complementors.

PA-K also maintains responsible supply chain and supplier relations. The organization pays suppliers on time and recruits its suppliers competitively through open tenders. As of the close of FY 2022/23, the organization did not have any pending bills. The operations of the Supply Chain Department are guided by the provisions of the PPAD Act of 2012, and recommendations by PPRA.

The product offered by PA-K is the Award Programme as controlled by IAF. PA-K strives to ensure that the programme is run as per the requirements by the IAF and so maintains its international standards. Key to the process is the requirements of joining the programme in consideration of age, minimum participation hours as well as offering support with ORB. PA-K also trains volunteers and Award Leaders to ensure that they offer the Award as per the required standards.

### **Corporate Social Responsibility / Community Engagements**

PA-K acts in a socially responsible manner and emphasizes the same to all its partners. Corporate social responsibility is part of the delivery of the award, and is emphasized to Award Leaders and Participants so that they become more responsive to the needs of their societies. Among others, in the FY 2023/24, PA-K;

- ★ Donated computers and other essential items to some award centres
- ★ Some PA-K Award participants sunk a borehole for a community in Kakamega County
- ★ PA-K community participates in blood donations
- ★ Participants of the Award took part in distribution of sanitaryware in their communities
- ★ The Award participants participate in classroom renovations and repainting

## **11. Report of the Board of Directors**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of The President's Award - Kenya affairs.

### **a. Principal activities**

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

### **b. Results**

The results of the Entity for the year ended June 30, 2024, are set out on page 1

### **c. Board of Directors**

The members of the Board of Directors who served during the year are shown on page xi – xiv.

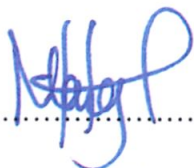
### **d. Surplus Remission**

The President's Award Kenya is not a regulatory Authority and therefore, is not required to remit surplus funds to the Consolidated Fund.

### **e. Auditors**

The Auditor General is responsible for the statutory audit of The President's Award Kenya in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the period ended June 30, 2024.

By Order of the Board



.....

**Margaret Kiogora (CHRP-K)**

**Chief Executive Officer**

## **12. 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 President's Award-Kenya, which give a true and fair view of the state of affairs of the President's Award-Kenya at the end of the financial year and the operating results of the President's Award-Kenya for that year. The Directors are also required to ensure that the President's Award-Kenya keeps proper accounting records which disclose with reasonable accuracy the financial position of the Organization. The Directors are also responsible for safeguarding the assets of the President's Award-Kenya.

The Directors are responsible for the preparation and presentation of the President's Award-Kenya financial statements, which give a true and fair view of the state of affairs of the President's Award-Kenya for and as at the end of the financial year ended on June 30, 2024. These responsibilities include:

- 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 President's Award-Kenya
- iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- iv) Safeguarding the assets of the President's Award-Kenya
- v) Selecting and applying appropriate accounting policies; and

vi) Making accounting estimates that are reasonable in the circumstances.

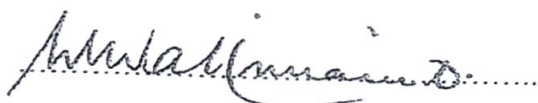
The Directors accept responsibility for the President's Award-Kenya financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the President's Award-Kenya financial statements give a true and fair view of the state the Organization's transactions during the financial year ended June 30, 2024, and of the President's Award-Kenya financial position as at that date.

The Directors further confirm the completeness of the accounting records maintained for the President's Award-Kenya, which have been relied upon in the preparation of the President's Award-Kenya 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 the President's Award-Kenya will not remain a going concern for at least the next twelve months from the date of this statement.

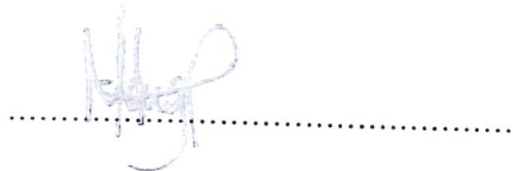
#### **Approval of the Financial Statements**

The President's Award-Kenya financial statements were approved by the Board on 06.12.2024 2024 and signed on its behalf by:



Fr (Dr.) Wakimani Wamugunda D.

Chairperson of the Board

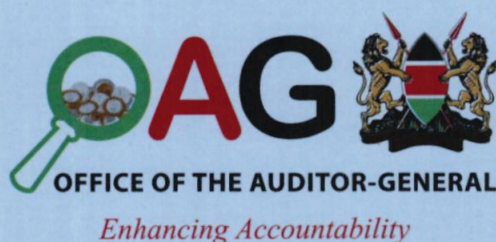


Margaret Kiogora (CHRP-K)

Accounting Officer

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON THE PRESIDENT'S AWARD KENYA FOR THE YEAR ENDED 30 JUNE, 2024**

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### **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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

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**

#### **Opinion**

I have audited the accompanying financial statements of the President's Award-Kenya set out on pages 1 to 51, which comprise the statement of financial position as at

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*Report of the Auditor-General on the President's Award-Kenya for the year ended 30 June, 2024*

30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the President's Award-Kenya as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the President's Award Act, 2017 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

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

### **Emphasis of Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.171,431,052 and Kshs.167,514,723 respectively, resulting to an underfunding of Kshs.3,916,329 or 2.3% of the approved budget. Similarly, the Agency spent an amount of Kshs.140,655,185 against the actual receipts of Kshs.167,514,723 resulting to an under expenditure of Kshs.26,859,538 or 16% the approved budget.

The under-funding and under performance affected the planned activities and may have impacted negatively on service delivery to the public.

#### **2. Disputed Ownership of the Land**

Disclosure at Note 22 to the financial statements indicate that President's Award – Kenya is following up on ownership documents for land in Nairobi and Loitoktok. Both lands were allocated through a Presidential Decree. However, the Principal Secretary for State Department for Housing and Urban Development via a letter dated 21 February, 2024 to the Chief Executive Officer of President's Award - Kenya, gave notice to vacate the land with immediate effect. Further, a follow-up letter dated 08 May, 2024 by the Principal Secretary for State Department for Foreign Affairs demanded that the President's Award – Kenya immediately vacate the land to pave way for construction of the Ministry of Foreign Affairs Headquarters. The continued possession of the land by the Agency is therefore uncertain.

My opinion is not modified in respect of these matters.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, 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 Matters**

In the audit report of the previous year, a number of paragraphs were raised. However, management has not resolved the prior year matters and has not explained the delay in resolving the issues.

## **Other Information**

Management is responsible for the other information set out on page ii to xix which comprise of key entity information and overall performance, statement of board of Directors, key management team, Chairman's statement, Chief Executive Officer statement, statement of performance against predetermined objectives, corporate governance statement, management discussion and analysis, environmental and sustainability reporting, report of the board of Directors and statement of Directors responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the President's Award-Kenya financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## **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, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else 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**

### **1. Under Staffing at the Organization**

Review of documents revealed a staff establishment of 84 against 21 in-post leading to a shortage of 63 staff or 75% of the approved workforce. Although Management has presented evidence of unsuccessful requests to the National Treasury to recruit, understaffing may result to staff burnouts and inability to accomplish the organization's set objectives.

In the circumstances, the effectiveness of delivery of services could not be confirmed.

### **2. Unauthorized Investment in Call Deposits**

The statement of financial position and Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.287,667,678. The balance includes an amount of Kshs.286,500,000 in call deposits. However, the Management did not provide authority from the National Treasury to place public funds in on-call deposits for audit. This was a contravention of Section 87 (1) of the Public Finance Management Act, 2012 which provides that a government entity may not invest public funds without prior approval of the National Treasury.

In the circumstances, Management was in breached the law.

The audit was conducted in accordance with ISSAIs 3000 and 4000. The Standards require 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 comply 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 else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective

### **Lack of Internal Audit Function and Audit Committee**

Review of documents revealed that the Organization had not established internal audit function and an audit committee. This was contrary to the provisions of the Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015 which provides for the establishment of internal audit function and an audit committee. As such the Organization did not benefit from the internal audit function as well as oversight from the audit committee.

In the circumstances, the effectiveness of internal control system could not be confirmed.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAIs 2315 and 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 those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

Those charged with governance are responsible for overseeing the Organization'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**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error

and to issue an auditor's report that includes my opinion in accordance with Section 43 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also consider the Organization's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

27 December, 2024

The President's Award-Kenya  
Annual Report and Financial Statements  
For the Year Ended June 30, 2024.

14. Statement of Financial Performance for the year ended 30 June 2024

	Notes	30th June 2024	RESTATED 30th June 2023
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from other Government entities	6	123,500,001	113,855,959
Public contributions and donations	7	4,649,920	7,045,202
Licences, Fees and Permits	8	2,336,700	4,018,500
<b>Sub Total</b>		<b>130,486,621</b>	<b>124,919,661</b>
<b>Revenue from exchange transactions</b>			
Finance income	9	38,056,077	25,032,603
Other Income	10	22,237	9,380
<b>Sub Total</b>		<b>38,078,314</b>	<b>25,041,983</b>
<b>Total revenue</b>		<b>168,564,935</b>	<b>149,961,644</b>
<b>Expenses</b>			
Use of goods and services	11 (a)	71,939,556	63,280,400
Employee costs	12 (a)	41,825,216	33,947,661
Board expenses	13	7,670,209	9,213,981
Depreciation and amortization expense	14	6,819,602	5,310,530
Repairs and maintenance	15	4,346,203	3,471,960
Grant and subsidies	16	3,599,708	6,013,582
Contracted services	17	1,523,410	1,363,765
Tax Expense	18	11,416,823	11,034,821
<b>Total expenses</b>		<b>149,140,726</b>	<b>133,636,699</b>
<b>Surplus for the period</b>		<b>19,424,209</b>	<b>16,324,945</b>
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling Entity		19,424,209	16,324,945
		<b>19,424,209</b>	<b>16,324,945</b>

**The President's Award-Kenya  
Annual Report and Financial Statements  
for the year ended June 30, 2024.**

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The notes set out on pages 1 to 8 form an integral part of these Financial Statements. The Financial Statements set out on pages 9 to 50 were signed on behalf of the Board of Directors by:

  
.....

**Margaret Kiogora (CHRP-K):**

**Accounting Officer**

Date **06.12.2024**

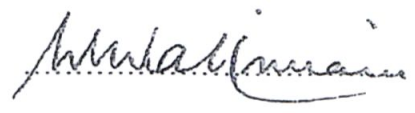
  
.....

**Grace Musyoka:**

**Head of Finance**

**ICPAK M/No: 24686**

Date **06.12.2024**

  
.....

**Fr. (Dr) Dominic  
Wamugunda**

**Chairman of the Board**

Date **06.12.2024**

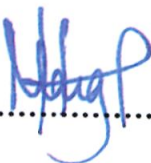
15. Statement of Financial Position as at 30 June 2024

	Notes	30th June 2024 Kshs	RESTATED 30th June 2023 Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	19	287,667,678	341,462,435
Receivables from Non-exchange Transactions	20	17,765,534	6,348,859
Inventories	21	2,011,588	5,344,490
<b>Total Current Assets</b>		<b>307,444,800</b>	<b>353,155,784</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	22	27,732,977	23,054,514
Intangible Assets	23	4,200,000	-
<b>Total Non- Current Assets</b>		<b>31,932,977</b>	<b>23,054,514</b>
<b>Total Assets (A)</b>		<b>339,377,777</b>	<b>376,210,298</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	24	815,606	3,411,269
Current Provisions	25	3,487,200	3,594,289
Deferred income	26	84,163,424	139,678,041
Tax payable	28	3,441,355	6,115,473
<b>Total Current Liabilities</b>		<b>91,907,585</b>	<b>152,799,072</b>
<b>Total Liabilities (B)</b>		<b>91,907,585</b>	<b>152,799,072</b>
<b>Net Assets (A-B)</b>		<b>247,470,193</b>	<b>223,411,226</b>
<b>Represented by:</b>			
Accumulated Surplus		232,614,629	213,190,421
Donated Reserves		4,075,127	5,125,339
Revaluation Surplus		10,780,437	5,095,467
<b>Net Assets</b>		<b>247,470,193</b>	<b>223,411,226</b>

**The President's Award-Kenya  
Annual Report and Financial Statements  
for the year ended June 30, 2024.**

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The financial statements set out on pages 1 to 8 were signed on behalf of the Board of Directors by:



.....

**Margaret Kiogora (CHRP-K):**

**Accounting Officer**

Date **06.12.2024**



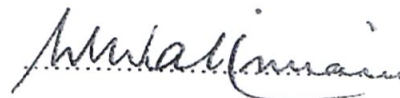
.....

**Grace Musyoka:**

**Head of Finance**

ICPAK M/No: 24686

Date **06.12.2024**



**Fr. (Dr) Dominic  
Wamugunda**

**Chairman of the Board**

Date **06.12.2024**

16. Statement of Changes in Net Assets for the year ended 30 June 2024

	Donated Reserves	Revaluation Surplus	Surplus/ Deficit Reserve	Total
As at June 30, 2022	6,175,551	5,095,467	196,865,475	208,136,493
As at July 1,2022	6,175,551	5,095,467	196,865,475	208,136,493
Surplus for the Year	-	-	16,324,945	16,324,945
Transfer to Income	(1,050,212)	-	-	(1,050,212)
Revaluation Surplus	-	-	-	-
<b>RESTATED</b> As at June 30, 2023	5,125,339	5,095,467	213,190,420	223,411,226
Surplus for the Year	-	-	19,424,209	19,424,209
Transfer to Income	(1,050,212)	-	-	(1,050,212)
Revaluation Surplus	-	5,684,970	-	5,684,970
As at June 30, 2024	4,075,127	10,780,437	232,614,629	247,470,193

**RESTATEMENT:**

2022/2023 financial statements have been Restated being correction of grants from Sports Funds of Kshs.200 million received in 2022/2023 and erroneously fully recognized as revenue for the period instead of charging to Deferred income and amortizing over the 3 years grant period based on actual expenditure.

**The President's Award-Kenya  
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for the year ended June 30, 2024.**

**17. Statement of Cash Flows for the year ended 30 June 2024**

	Notes	30th June 2024	30th June 2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other governments entities	6	72,500,001	247,500,000
Public contributions and donations	7	1,585,091	5,994,990
Licenses fees and permits	8	2,336,700	4,018,500
Finance income	9	24,117,002	21,186,144
Other income	10	612	9,380
<b>Total receipts</b>		<b>100,539,406</b>	<b>278,709,014</b>
<b>Payments</b>			
Use of goods and services	11 (b)	71,096,901	62,649,700
Employee costs	12 (b)	44,367,319	30,726,814
Board Expenses	13	7,670,209	9,213,981
Repairs and maintenance	15	4,346,203	3,471,960
Grants and Subsidies	16	1,267,708	6,013,582
Contracted services	17	1,523,412	1,363,765
Tax paid	18	14,090,941	7,764,824
<b>Total payments</b>		<b>144,362,693</b>	<b>121,204,626</b>
<b>Net cash flows from/ (used in) operating activities</b>		<b>(43,823,287)</b>	<b>157,504,388</b>
<b>Cash flows from investing activities</b>			
Purchase of PPE and Intangible assets	22	(5,771,470)	(5,435,753)
Purchase of Intangible Asset	23	4,200,000	-
<b>Net cash flows from/ (used in) investing activities</b>		<b>(9,971,470)</b>	<b>(5,435,753)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	-
<b>Net cash flows from financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash &amp; Cash Equivalent</b>		<b>(53,794,757)</b>	<b>152,068,635)</b>
Cash and cash equivalents at 1 July	19	341,462,435	189,393,800
<b>Cash and cash equivalents at 30 June</b>	19	<b>287,667,678</b>	<b>341,462,435</b>

**The President's Award-Kenya  
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**18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024**

		Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization	
		Kshs	Kshs	Kshs	Kshs	Kshs	f=d/e*100	
		a	b	C=(a+b)	d	e=(c-d)		
<b>Revenue from non-exchange transactions</b>								
Transfers from Government	6	70,000,000	-	70,000,000	70,000,001	(1)	100%	
Sports Fund Grant	6	53,500,000	-	53,500,000	53,500,000	-	100%	
Licenses, Fees and Permits	8	3,342,463	-	3,342,463	2,336,700	1,006,263	70%	(a)
Grant Income (Mastercard Foundation)	7	3,200,000	-	3,200,000	1,267,708	1,932,292	40%	(b)
Donations in Kind (Safaricom cards)	7	2,500,000	-	2,500,000	2,332,000	168,000	87%	
<b>Sub Total</b>		<b>132,542,463</b>		<b>132,542,463</b>	<b>129,436,409</b>		<b>98%</b>	
<b>Revenue from exchange transactions</b>								
Finance Income	9	38,888,589	-	38,888,589	38,056,077	832,512	98%	
Other income	10	-	-	-	22,237	(22,237)		
<b>Total revenue</b>		<b>171,431,052</b>		<b>171,431,052</b>	<b>167,514,723</b>		<b>98%</b>	
<b>Expenses</b>								
Use of Goods	11 (a)	78,562,633		78,562,633	71,939,556	6,486,665	92%	
Employee costs	12 (a)	50,259,919		50,259,919	40,159,277	10,100,643	80%	(c)
Board expenses	13	18,308,500		18,308,500	7,670,208	10,607,291	42%	(d)
Contracted Services	17	1,600,000		1,600,000	1,523,410	76,588	95%	
Repairs and maintenance	15	5,000,000		5,000,000	4,346,203	653,797	87%	
Donations In Kind Expenses (Safaricom Foundation)	16	2,500,000		2,500,000	2,332,000	168,000	93%	
Grant Expenses (Mastercard Foundation)	16	3,200,000		3,200,000	1,267,708	1,932,292	40%	(b)
<b>Tax Expense</b>		<b>12,000,000</b>		<b>12,000,000</b>	<b>11,416,823</b>	<b>583,177</b>		
<b>Total expenses</b>		<b>171,431,052</b>	<b>-</b>	<b>171,431,052</b>	<b>140,655,185</b>		<b>82%</b>	
<b>Surplus for the year</b>					<b>26,859,538</b>			

**The President's Award-Kenya  
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for the year ended June 30, 2024.**

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**Reconciliation Between the Surplus as Per the Budget and as Per Statement of Financial Performance**

Description	Surplus (Kshs)
Surplus under the statement of budgeted and actual amounts	26,859,538
Surplus under the statement of financial statements	19,424,208
Difference	7,435,330

Explained by:

Provision for Gratuity and pension	1,665,940
Deferred income	(1,050,212)
Depreciation expense in the financial statement	6,819,602
Total	7,435,330

***Explanation on Low Utilization***

- a) Licences, fees and permits –This is caused by the following:
  - i) Many participants and institutions struggle to afford the fees due to economic hardships.
  - ii) Policies at the institutional levels delays payment of the fees
  - iii) Alternative programs which are free.
- b) Mastercard Foundation-Grant expected for the beneficiaries of Mastercard scholarship who are undertaking the programme was not received in the year.
- c) Recruitment of staff planned for in the year were put on hold.
- d) Board Expenses- Board fees and Board bonus budgeted for in the year was not paid since the Board evaluation had not been completed by the closure of the financial year.

## **19. Notes to the Financial Statements**

### **1. General Information**

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

### **2. Statement of Compliance and Basis of Preparation**

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

**Notes to the Financial Statements (Continued)**

**3. Adoption of New and Revised Standards**

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There were no new and amended standards issued in the financial year.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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 for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The standard is not expected to affect the financial reporting of The President's Award - Kenya as the entity is not operating under any leased assets. However, should conditions change, the standard would be adopted as required.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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>The President's Award - Kenya would not be affected by this standard as the entity does not have any non-current assets held for sale or any discontinued operations.</p>

**The President's Award-Kenya  
Annual Report and Financial Statements  
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Standard	Effective date and impact:
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The President's Award - Kenya does not have any heritage or infrastructure assets and therefore its financial reporting would not be affected by the standard. However, if such assets would be acquired in the future, the standard would be observed.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This standard would be expected to affect financial reporting of The President's Award - Kenya to the extent that transaction costs and current operational values would be measured.</p>

**The President's Award-Kenya  
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for the year ended June 30, 2024.**

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 47- Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The President's Award - Kenya does not have any construction contract or non-exchange revenue and therefore its revenue reporting would not be affected by this standard.</p>
IPSAS 48- Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The President's Award - Kenya is not a transfer provider but would account for the transfer costs if in future there are transfers implemented by it.</p>
IPSAS 49- Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>The President's Award - Kenya maintains a defined contribution pension plan with an IRA registered firm. It therefore does not have to account for retirement benefits as it does not have a retirement benefit plan.</p>

***Early adoption of standards***

The Entity did not early – adopt any new or amended standards in the financial year.

**Notes to the financial statements (continued)**

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

**Grant Income**

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

**Licenses**

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

**Transfer From Capital Fund**

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

**ii) Revenue from exchange transactions**

**Sale of goods**

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Interest income**

Interest income is accrued using the bank rate provided during deposit commitment. It is apportioned for the duration it has been fixed for the reporting year.

**b) Budget information**

The original budget for the Financial Year 2023/24 was approved by the Board of Directors on 27th September 2023. The President's Award - Kenya budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 1 of these financial statements.

**c) Taxes**

**Current income tax**

The President's Award - Kenya is a non – commercial state corporation that receives substantial revenue from non – exchange transactions (especially from the National Government in form of transfers and grants). As such, it is liable for income taxes only on interest received from fixed deposits. However, other taxes accruing from employees are recovered through the payroll and remittances filled as appropriate.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Entity and the same taxation authority.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

*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) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 50-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**e) 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, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the 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.

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

Buildings	5% Per annum
Motor vehicles	16.67% Per annum
Furniture, fittings and Equipment	12.5% Per annum
Computers	30% Per annum

**f) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to The President's Award - Kenya. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The President's Award - Kenya also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is

depreciated over the useful life of the asset. However, if there is no reasonable certainty that The President's Award - Kenya will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to The President's Award - Kenya. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

**h) Research and development costs**

The President's Award - Kenya expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when The President's Award - Kenya can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**a) Financial assets**

**Classification of financial assets**

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

**Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

**b) Financial liabilities**

**Classification**

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**j) 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 President's Award - Kenya.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**k) Provisions**

Provisions are recognized when The President's Award - Kenya 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 President's Award - Kenya 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.

**l) Social Benefits**

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

**m) Contingent liabilities**

The Entity 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.

**n) Contingent assets**

The Entity 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 the Entity 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.

**o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

**Retirement benefit plans**

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

**q) 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.

**r) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**s) Related parties**

The President's Award - Kenya 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 President's Award

- Kenya or vice versa. Members of key management are regarded as related parties and comprise the Directors, the CEO, and Senior Managers.

**t) Cash and cash equivalents**

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

**u) Comparative figures**

The President's Award comparative figures for the previous financial year have been amended to conform to the required changes in presentation. The amended figures were amended in the transfers to Government entities in the Statement of Financial Position and accumulated surplus in the Statement of Financial Position where Sports fund grant was fully received in that year as received. This has been amended and recognised as deferred income for the amounts not utilized during the year and revenue amortized based on approved expenditure.

The 2022/2023 comparative figures have been Restated on; Transfers from other government entities, Surplus and Deferred income due to correction of erroneous full recognition of Kshs.200 million from Sports Fund in 2022/2023 instead of charging to deferred income and amortize over the 3 years grant period.

**v) Donated reserves**

Donated reserves are assets donated to The President's Award - Kenya realized in the income statement over their useful life

**w) 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, 2024.

### **Significant Judgments and Sources of Estimation Uncertainty**

The preparation of The President's Award - Kenya 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. The Entity 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 Entity. Such changes are reflected in the assumptions when they occur.

#### **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 24. 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.

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**Notes to the Financial Statements (Continued)**

**6. a) Transfers from Ministries, Departments and Agencies (MDAs)**

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance.	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers (Current FY)	Insert Comparative FY
	KShs	KShs	KShs	KShs	RESTATED KShs
State Department for Basic Education	50,000,001	-	-	50,000,001	30,000,000
State Department for Youth Affairs	20,000,000	-	-	20,000,000	20,000,000
<b>Sub-Total</b>	<b>70,000,001</b>	<b>-</b>	<b>-</b>	<b>70,000,001</b>	<b>50,000,000</b>
Add: Operational Grant					
Sports Fund	-	53,500,000	-	53,500,000	63,855,959
<b>Sub-Total</b>		<b>53,500,000</b>		<b>53,500,000</b>	<b>63,855,959</b>
<b>Grand Total</b>	<b>70,000,001</b>	<b>53,500,000</b>	<b>-</b>	<b>123,500,001</b>	<b>113,855,959</b>

*NB: PA-K received Kshs. 200million from Sports Fund. The utilization of the fund was Kshs. 63,855,959 FY 2022/23 and Kshs. 53,500,000 FY 2023/24. The Balance of Kshs.82,644,041 is to be utilized in FY 2024/25.*

**b) Transfers from Ministries, Departments and Agencies (MDAs) Receivable**

Description	30th June 2024
	KShs
<b>Opening Balance</b>	<b>2,500,000</b>
Receivable Paid Within the Year	(2,500,000)
Amount Accrued Within the Year	-
Closing Government Subvention Receivable	-
<b>Total Government Grants and Subsidies</b>	<b>-</b>

## 7. Public Contributions and Donations

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Grant income	1,267,708	1,205,490
Donations in kind-Safaricom cards	2,332,000	4,789,500
<b>Sub Total</b>	<b>3,599,708</b>	<b>5,994,990</b>
Deferred income	1,050,212	1,050,212
<b>Total public contributions and donations</b>	<b>4,649,920</b>	<b>7,045,202</b>

- i) Grant income is a donation from Mastercard Foundation for registration and facilitation of the Foundation scholars activities up-to Gold level of the Award programme
- ii) Donations in kind refers to Safaricom cards donation from Safaricom PLC for the programme activities amounting Ksh.10,000,000 however due to Accounting Standards what has been recognised in the Statement of Financial Performance is the total amount of cards issued in the year.
- iii) Deferred income refers to the depreciation amount on donated motor vehicles transferred to income

## 8. Licenses, Fees and Permits

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Participants Registration Fees	1,621,700	3,038,500
Licence Fees from Award Centres	715,000	980,000
<b>Total</b>	<b>2,336,700</b>	<b>4,018,500</b>

- i) Participants registration fees are a one-off fee paid by Award Participants on enrolment in the Award Programme. The fees cater for use of the online portal where participants register their activities.
- ii) Licence fees are annual fees paid by Award Centres running the programme.

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**9. Finance Income**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Interest income from call deposits	20,290,543	21,186,144
Accrued Interest	17,765,534	3,846,459
<b>Total finance income</b>	<b>38,056,077</b>	<b>25,032,603</b>

Interest income is interest earned from investment on call deposits. Accrued interest is the unpaid interest as at the end of the period June 30, 2024.

**10. Other Income**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Tender Documents	-	7,000
Miscellaneous income	612	580
Profit on Insurance Compensation	21,625	
Badges	-	1,800
<b>Total Other Income</b>	<b>22,237</b>	<b>9,380</b>

The Kshs. 612 is miscellaneous deposits made while testing and training on the working of the E-citizen payments platform.

**11. (a) Use of Goods and Services**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Adventurous Journey Expenses	299,900	651,224
Advertisement	410,090	702,197
Africa Regional Conference	398,345	-
Annual budget expenses	806,700	755,800
Asset Insurance	220,041	193,998
Award Centers Support	1,623,965	-
Award Day Expenses	2,477,632	1,490,700
Award Holders Alumni	-	23,417

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Description	30th June 2024	30th June 2023
	Kshs	Kshs
Award Popularization Expenses	3,463,645	-
Award Presentations	4,477,836	7,215,314
Bank charges	366,111	297,138
Brand and Communication Strategy	-	4,184,080
Brand and Promotional Expenses	74,250	-
Cleaning and fumigation	151,482	228,670
Courier and Postage	722,113	344,182
Duke of Edinburgh's Fees	2,933,100	2,067,900
Electricity	1,003,400	-
Email Hosting	58,000	46,400
Forum Expenses	-	2,440,626
Fuel and oil	714,710	300,000
Hospitality expenses	2,365,896	964,483
ICT and Infrastructure Expenses	461,349	272,700
Induction of coordinators	3,868,386	-
Internet	1,116,670	1,240,616
Legal Fees	130,000	-
Licence Review Costs	803,870	73,500
Media Monitoring	56,840	-
Monitoring and evaluation	682,600	-
Office expenses	321,102	156,537
PA-K Corporate Events	133,860	992,650
Partnerships & Fundraising Cost	741,140	1,056,150
Performance Contracting	4,156,850	-
Policy Development	-	206,700
Prequalification and evaluation of tenders expenses	900,000	643,800
Print and Electronic Media	17,300	442,469
Printing and stationery	589,036	444,509
Printing of certificates and forms	1,168,025	95,265

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Description	30th June 2024	30th June 2023
	Kshs	Kshs
Audit fees	398,000	350,000
Publications and Documentaries	2,403,773	341,400
Residential Project Expenses	189,700	97,353
Revaluation of Assets	250,000	-
Route Mapping & Development	556,500	-
Sensitization of Heads of Institutions	3,406,271	835,700
Service Charter Expenses	220,724	-
Shows and Exhibitions	474,276	-
Staff Training & Cont. Prof. Devt	4,852,320	3,349,273
Stakeholder Engagement	628,400	-
Strategic Plan	120,000	816,275
Telephone	845,000	816,750
Training of Award Leaders	11,801,040	17,806,954
Training of Trainers	2,815,284	3,223,400
Volunteer meals and transport	840,500	532,000
Volunteer Medical Cover	1,077,300	1,077,300
Volunteer Training Expenses	2,730,978	4,225,193
Water	224,220	160,269
Website Development	-	985,700
Work Planning Expenses	199,500	996,323
Youth Innovative Activities	176,300	-
Zoom Application Expenses	15,226	135,485
<b>Total use of goods and services</b>	<b>71,939,556</b>	<b>63,280,400</b>

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**Notes to the Financial Statements (Continued)**

**11 (b). Use of Goods (Cash Basis Adjustment)**

<b>Description</b>	<b>30<sup>th</sup> June 2023</b>	<b>30<sup>th</sup> June 2023</b>
	<b>KShs</b>	<b>KShs</b>
Total as per the Income Statement	71,939,555	63,280,400
Add:		
Increase in Consumables Inventory	-	264,569
Decrease in Hospitality Payable	134,230	-
Decrease in Trade Payables	33,739	-
Reduction in Provision for Audit Fees	-	350,000
Less:		
Reduction in Consumables Inventory	(1,000,902)	-
Increase in Hospitality Payable		(134,230)
Increase in Volunteer Insurance Payable		(1,077,300)
Increase in Trade Payables		(33,739)
Increase in Payables	(9,720)	-
<b>Total Use of Goods (Cash Basis)</b>	<b>71,096,901</b>	<b>62,649,700</b>

Some of the cost variances arose from the following budget items:

- i) Sensitization of heads of institutions which is aimed at increasing knowledge of existence of the award at the local level through heads of institutions sensitization.
- ii) PA-K also engaged the Department of Film Services to prepare a documentary expected to boost online presence and uptake of the award.
- iii) Training of Award Leaders was scaled down as most of them had been trained in previous years and hence only newly recruited ones were trained.
- iv) To improve performance, PA-K also started doing performance contracting hence the related expenses being recorded for the year.

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**Notes to the Financial Statements (Continued)**

**12. (a) Employee Costs**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Salaries and Wages	27,481,164	22,685,128
Staff travel	240,196	8,325
Staff subsistence allowance	9,550	358,670
Staff establishment	495,950	693,390
Casual Labour	293,360	310,667
Staff medical cover	8,258,449	5,502,214
GPA and WIBA Expenses	279,304	281,986
Staff Skills Gap Audit	240,000	-
Pension Payment	3,287,684	2,477,154
Gratuity provision for the year	1,239,559	1,630,127
<b>Total Employee Costs</b>	<b>41,825,216</b>	<b>33,947,661</b>

**12 (b) Employee Costs (Cash Basis Adjustment)**

Description	30 <sup>th</sup> June 2023	30 <sup>th</sup> June 2023
	KShs	KShs
Total as per the Income Statement	41,825,216	33,947,661
Add:		
Increase in NITA Levy receivable contributions	-	2,400
Decrease in Pension Liability	213,900	-
Decrease in Insurance Payable	2,723,837	-
Less:		
Increase in Staff Insurance Payable	-	(1,646,537)
Increase in Provision for Gratuity	(106,811)	(1,057,247)
Increase in PA-K Staff Welfare	(80,000)	-
Increase in NITA Levy Payable	(2,850)	(1,150)
Increase in Housing Levy Payable	(71,288)	-
Increase in PAYE Payable	(134,685)	(518,313)
<b>Total Employee Costs (Cash Basis)</b>	<b>44,367,319</b>	<b>30,726,814</b>

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The salaries and wages increased because of the staff who were recruited in FY 2022/23. In FY 2023/24, the recruited staff were in the organization during the whole of FY 2023/24 unlike FY 2022/23 where they were there for only 9 months. This also caused an increase in medical cover expenses. Skills gap audit for the staff was also done to inform decisions concerning staff capacity building and future human resource planning decisions.

**13. Board Expenses**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Chairman's Honoraria	960,000	978,000
Chairman Telephone Allowance	60,000	-
Sitting Allowances	2,428,582	2,124,900
Travel and Accommodation	1,242,052	4,781,061
Medical Insurance	307,724	328,000
Induction and Training	2,630,376	960,020
Conference Costs	41,475	-
Other Allowances	-	42,000
<b>Total</b>	<b>7,670,209</b>	<b>9,213,981</b>

There was a decrease in the Board Expenses since there was reduced expenditure on board travel and accommodation expenses. In FY2022/23, Four board members travelled for the Regional Conference in Romania while in FY2023/24 two Board members travelled for the regional Conference in Uganda.

**14. Depreciation and Amortization Expense**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Property, plant and equipment	6,819,602	5,310,530
<b>Total depreciation and amortization</b>	<b>6,819,602</b>	<b>5,310,530</b>

The increase in depreciation expense is due to new assets purchased within the year as explained in Note 22.

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**Notes to the Financial Statements (Continued)**

**15. Repairs and Maintenance**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Property and equipment	1,517,944	1,642,385
Equipment and Machinery	25,900	144,500
Vehicles	2,489,623	1,234,601
Furniture and Fittings	178,756	-
Computers and Accessories	133,980	450,474
<b>Total Repairs and Maintenance</b>	<b>4,346,203</b>	<b>3,471,960</b>

There was an increase in the amount spent on vehicle repairs due to increased field activities in the year.

**16. Grants and Subsidies**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Covid 19 Recovery fund project expenses	-	1,224,082
Donations in kind expenses - Safaricom cards	2,332,000	4,789,500
Mastercard Foundation Expenses	1,267,708	-
<b>Total Grants and Subsidies</b>	<b>3,599,708</b>	<b>6,013,582</b>

The total amount received under the Mastercard Foundation is Kes 1,585,091. The amount recognized in the Income Statement is Kes 1,267,708 which was spent. The balance of Kes. 317,383 would be spent in the FY 2024/25 for the same program activities and is recognized in the Statement of Financial Position.

**17. Contracted Services**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Contracted security services	1,523,410	1,363,765
<b>Total Contracted Services</b>	<b>1,523,410</b>	<b>1,363,765</b>

There was a small increase in the cost of security services as a result of an addition of key management service in the year.

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**Notes to the Financial Statements (Continued)**

**18. Tax Expense**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Tax charged on Interest income	11,416,823	11,034,821
<b>Income tax expense reported in the statement of financial performance</b>	<b>11,416,823</b>	<b>11,034,821</b>

**19. Cash and Cash Equivalents**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Current Account	1,108,674	1,462,435
On - Call Deposits	286,500,000	340,000,000
E-Citizen Collection Account	59,005	-
<b>Total Cash and Cash Equivalents</b>	<b>287,667,679</b>	<b>341,462,435</b>

The E-citizen collection account was introduced in the FY 2023/24 and the balance indicate amounts that had not been remitted to the PA-K account as at the end of 30th June 2024. The decrease in the On-Call deposits is due to utilization of the sports fund grant in the year.

**Detailed Analysis of the Cash and Cash Equivalents**

Financial Institution	Account number	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
<b>Current Account</b>			
Kenya Commercial Bank	1104068737	1,108,674	1,462,435
<b>Sub- Total</b>		<b>1,108,674</b>	<b>1,462,435</b>
<b>On - Call Deposits</b>			
Kenya Commercial Bank	1104068737	286,500,000	340,000,000
<b>Sub- Total</b>		<b>286,500,000</b>	<b>340,000,000</b>
<b>E-Citizen Collection A/C</b>			
E-Citizen collection A/C	<b>E-Citizen</b>	59,004	-
<b>Sub- Total</b>		<b>59,004</b>	<b>-</b>
<b>Grand Total</b>		<b>287,667,679</b>	<b>341,462,435</b>

## 20. Receivables from Non-Exchange Transactions

Description	30th June 2024		30th June 2023	
	Kshs		Kshs	
Accrued interest on call deposit	17,765,534		3,846,459	
Nita Levy Contributions			2,400	
Government Subvention Receivable			2,500,000	
<b>Total receivables from non- exchange transactions</b>	<b>17,765,534</b>		<b>6,348,859</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>Current FY</b>	<b>% of the total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Less than 1 year	17,765,534	100%	6,348,859	100%
Between 1-2 years	-	0%	-	-%
Over 3 years	-	0%	-	-%
<b>Total</b>	<b>17,765,534</b>	<b>100%</b>	<b>6,348,859</b>	<b>100%</b>

## 21. Inventories

Description	30th June 2024		30th June 2023	
	Kshs		Kshs	
Stationery Items and Consumables	809,588		1,810,490	
Safaricom cards	1,202,000		3,534,000	
<b>Total inventories at the lower of cost and net realizable value</b>	<b>2,011,588</b>		<b>5,344,490</b>	

The Safaricom cards are the balance from the 10 million worth of airtime donated for PA-K Programme development activities

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**22. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Furniture & fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Cost</b>						
<b>As At 1 July 2022</b>	-	3,500,000	14,300,000	4,145,621	5,417,500	27,363,121
Additions	-	1,049,705		276,639	4,109,409	5,435,753
<b>As at 30th June 2023</b>	-	4,549,705	14,300,000	4,422,260	9,526,909	32,798,874
Additions	-	-	-	1,439,660	4,516,810	5,956,470
Disposals	-	-	-	-	(185,000)	(185,000)
Transfer/Adjustments	-	-	-	-	-	-
<b>As at 30th June 2024</b>	-	4,549,705	14,300,000	5,861,920	13,858,719	38,570,344
<b>Depreciation And Impairment</b>						
<b>At 1 July 2022</b>	-	175,000	2,383,812	513,917	1,361,102	4,433,831
Depreciation	-	201,243	2,383,810	538,513	2,186,964	5,310,530
Impairment	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-
<b>As At 30th 2023</b>	-	376,243	4,767,622	1,052,430	3,548,066	9,744,361
Depreciation	-	227,485	2,383,810	680,459	3,527,847	6,819,601
Disposals	-	-	-	-	(41,625)	-41,625
Impairment	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-
<b>As at 30th June 2024</b>	-	603,728	7,151,432	1,732,889	7,034,288	16,522,337
						-
<b>Net Book Values</b>						
<b>As at 30th June 2023</b>	-	4,173,462	9,532,378	3,369,830	5,978,843	23,054,513
<b>As at 30th June 2024</b>	-	3,945,977	7,148,568	4,129,031	6,824,431	22,048,007
						-
Reclassification	-	-	-	1,485,206	(1,485,206)	-
Revaluation Surplus	-	-	2,051,432	1,239,663	2,393,876	5,684,971
						-
<b>As at 30th June 2024</b>	-	3,945,977	9,200,000	6,853,900	7,733,100	27,732,977

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**Notes to the Financial Statements (Continued)**

**NB:** PA-K does not have ownership document of the current office premise at Upper hill and Outward Bound Loitoktok property. Follow-up on the matter has been escalated to the Head of Public Service and Cabinet Secretary, State Department for Youth Affairs and Creative Economy.

PA-K has recognized values of two vehicles donated for use in the programme activities.

**Valuation**

The assets were revalued by Cambrian professional valuers on this date 30th June 2024 in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30<sup>th</sup> June 2020). These amounts were adopted by the Board on 30th June 2024.

**21 (b) Property, Plant and Equipment at Cost**

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	4,549,705	603,728	3,945,977
Motor Vehicles, Including Motorcycles	14,300,000	7,151,432	7,148,568
Computers And Related Equipment	12,280,140	7,117,538	5,245,852
Office Equipment, Furniture, and Fittings	7,347,126	1,733,189	5,622,246
<b>Total</b>	<b>38,476,971</b>	<b>16,605,887</b>	<b>21,962,643</b>

Property plant and Equipment does not include any fully depreciated asset.

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**Notes to the Financial Statements (Continued)**

**23. Intangible Assets**

<b>Description</b>	<b>30th June 2024</b>	<b>30th June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Cost</b>		
<b>At beginning of the year</b>	-	-
Additions	4,200,000	-
<b>At end of the year</b>	<b>4,200,000</b>	-
Additions—internal development	-	-
<b>At end of the year</b>	<b>4,200,000</b>	-
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	-	-
Amortization	-	-
<b>At end of the year</b>	-	-
Impairment loss	-	-
<b>At end of the year</b>	-	-
<b>NBV</b>	<b>4,200,000</b>	-

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**Notes to the Financial Statements (Continued)**

**24. Trade and Other Payables**

Description	30th June 2024		30th June 2023	
	Kshs		Kshs	
Medical Insurance for Staff	-		1,646,537	
Trade Payables	9,720		167,969	
Volunteer Insurance	-		1,077,300	
PA-K Staff Welfare	80,000		-	
Housing Fund Levy Payable	71,288		-	
PAYE Payable	652,998		518,313	
Nita Levy	1,600		1,150	
<b>Closing Balance</b>	<b>815,606</b>		<b>3,411,269</b>	
<b>Ageing analysis: (Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	815,606	100%	3,411,269	100%
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (tie to above total)</b>	<b>815,606</b>	<b>100%</b>	<b>3,411,269</b>	<b>100%</b>

Trade payables comprise of statutory deductions i.e Housing levy, PAYE and NITA Levy.

Filing in the itax system can only be done after the end of the month i.e from 1st July 2024.

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**Notes to the Financial Statements (Continued)**

**25. Current Provisions**

Description	Gratuity Provision	Pension Provision	Audit Fees	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	2,660,249	584,040	350,000	3,594,289
Additional provisions	1,295,800	370,140	350,000	2,015,940
Provision utilised	(818,849)	(954,180)	(350,000)	(2,123,029)
Change due to discount and time value for money	-	-	-	-
Transfers from non-current provisions	-	-	-	-
<b>Total provisions year end</b>	<b>3,137,200</b>	<b>-</b>	<b>350,000</b>	<b>3,487,200</b>

The provision for gratuity was for the only two staff who were on contract as at the end of 30th June 2024. The provision for audit is for annual audit by the OAG

**The deferred income movement is as follows:**

**26. Deferred Income**

Description	30th June 2024	RESTATED 30th June 2023
	Kshs	Kshs
International Funders	317,383	-
Public Contributions and Donations	1,202,000	3,534,000
Sports Fund	82,644,041	136,144,041
<b>Total Deferred Income</b>	<b>84,163,424</b>	<b>139,678,041</b>

The bulk of the deferred income is the balance for Safaricom donation of scratch cards and operational grant from The Sports Fund for programme development activities. The Kshs. 317,383 is balance from Mastercard donation expected to be utilised for the beneficiaries of Mastercard sponsorship in the Award activities.

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	<b>International funders</b>	<b>Public contributions and donations</b>	<b>Sports Fund Operational Grant</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Balance Brought Forward	-	<b>3,534,000</b>	<b>136,144,041</b>	<b>139,678,041</b>
Additions	1,585,091	-	-	1,585,091
Transfers To Income Statement	(1,267,708)	(2,332,000)	(53,500,000)	(57,099,708)
<b>Balance Carried Forward</b>	<b>317,383</b>	<b>1,202,000</b>	<b>82,644,041</b>	<b>84,163,424</b>

**Retirement benefit Asset/ Liability**

The President's Award - Kenya does not operate a defined benefit scheme for its full-time employees and therefore does not have any retirement benefit asset or liability

The Entity contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. 2,160 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by Britam Pension Fund. Employees contribute 7.5% while employers contribute 15% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**27. Surplus Remission**

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into the Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The President's Award - Kenya is not a regulatory entity and therefore not required to do surplus remission.

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**Notes to the Financial Statements (Continued)**

**28. Tax payable**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
At beginning of the year	6,115,473	2,845,476
Income tax charge for the year (note 27)	11,416,823	7,919,483
Income tax paid during the year	(14,090,941)	(4,649,486)
At end of the year	3,441,355	6,115,473

This income tax payable relates to tax on interest accrued as at the end of the FY 2023/24

**29. Cash Generated from Operations**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
<b>Surplus for the year before tax</b>	<b>19,424,208</b>	<b>152,468,98</b>
<b>Adjusted for:</b>		
Depreciation	6,819,602	5,310,529
Gains and losses on Insurance Compensation	(21,625)	-
Contribution to provisions	(127,089)	-
Capital Fund	(1,050,212)	
<b>Working capital adjustments</b>		
Decrease/ (Increase) in inventory	3,332,902	(264,569)
Decrease/ (Increase) in receivables	(11,419,075)	(6,348,859)
Increase in deferred income	(55,514,617)	(1,050,212)
Decrease in payables	(5,267,381)	7,388,513
Increase in payments received in advance	-	-
<b>Net cash flow from operating activities</b>	<b>(43,823,287)</b>	<b>157,504,388</b>

**Notes to the Financial Statements (Continued)**

**30. Financial Risk Management**

The President's Award - Kenya's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. PA-K's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and its financial risk management objectives and policies are detailed below:

**i) Credit risk**

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

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**ii) Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2024</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	287,667,678	287,667,678	-	-
<b>Total</b>	<b>287,667,678</b>	<b>287,667,678</b>	-	-
<b>As at 30 June 2023</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	341,462,435	341,462,435	-	-
<b>Total</b>	<b>341,462,435</b>	<b>341,462,435</b>	-	-

**iii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the

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contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2024</b>				
Trade payables	735,606	-	-	735,606
Current portion of borrowings	-	-	-	-
Provisions	-	6,637,155	291,400	6,928,555
Deferred income	-	1,519,383	-	1,519,383
Employee benefit obligation	-	-	80,000	80,000
<b>Total</b>	<b>735,606</b>	<b>4,715,183</b>	<b>371,400</b>	<b>9,263,544</b>
<b>As at 30<sup>th</sup> June 2023</b>				
Trade payables	9,526,742	-	-	3,411,269
Current portion of borrowings	-	-	-	-
Provisions	-	3,594,289	-	3,594,289
Deferred income	-	3,534,000	-	3,534,000
Employee benefit obligation	-	-	-	-
<b>Total</b>	<b>9,526,742</b>	<b>7,128,289</b>	<b>-</b>	<b>16,655,031</b>

**iv) Market risk**

The President's Award - Kenya has put in place an internal audit function to assist it in assessing the risk faced by the Entity 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 the Entity'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. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and

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Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

**a) Foreign currency risk**

The President's Award - Kenya 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. The President's Award - Kenya 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. As at the end of the Financial Years 2022/23 and 2023/24, The President's Award - Kenya did not have any foreign currency denominated assets or liabilities.

**b) Interest rate risk**

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

**Financial Risk Management**

**Sensitivity analysis**

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior

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year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 2,222,177 (Current FY: Kshs 21,646,385). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 11,110,883 (Current FY – Kshs 30,535,091)

**iv) Capital Risk Management**

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

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Revaluation Reserve	10,780,437	5,095,467
Retained Earnings	232,614,629	213,190,420
Capital Reserve	4,075,127	5,125,339
<b>Total Funds</b>	<b>247,470,193</b>	<b>223,411,226</b>
Total Borrowings	9,263,544	16,655,031
Less: Cash and Bank Balances	(287,667,678)	(341,462,435)
Net Debt/ (Excess Cash and Cash Equivalents)	(278,404,134)	(324,807,404)
<b>Gearing</b>	3.22%	4.88%

**31. Related Party Disclosures**

**Nature of related party relationships**

Entities and other parties related to The President's Award - Kenya 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 The President's Award - Kenya, holding 100% of The President's Award - Kenya equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

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**Other related parties include:**

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

Description	30th June 2024	30th June 2023
	Kshs	Kshs
<b>Transactions with related parties</b>		
<b>B) Purchases from related parties</b>		
Training and conference fees paid to govt. Agencies	8,702,157	9,097,861
Engagement of Department of film services for documentary production	780,000	-
<b>Total</b>	<b>9,482,157</b>	<b>9,097,861</b>
<b>a) Grants /transfers from the government</b>		
Transfers from national govt	70,000,001	250,000,000
<b>Total</b>	<b>70,000,001</b>	<b>250,000,000</b>

**32. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
<b>Contingent Assets</b>		
Land property arising from action on a Presidential Directive	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

1.PA-K does not have ownership document of the current office premise at Upper hill and Outward Bound Loitoktok property. A presidential Decree was issued on 13<sup>th</sup> May 2022 for the transfer of title to be affected to PA-K. Follow-up on the ownership document has been escalated to the Head of Public Service and Cabinet Secretary, State Department for Youth Affairs and Creative Economy.

**Contingent Liabilities**

The president's Award – Kenya did not have any contingent liabilities at the end of the Financial Year 2023/24

**33. Events after the Reporting Period**

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

**34. Ultimate And Holding Entity**

The Entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Youth Affairs, Creative Economy and Sports. Its ultimate parent is the Government of Kenya.

**35. Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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**20. Appendices**

**Appendix I: 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)
1.	Undisclosed Value of Property, Plant and Equipment	PA-K does not have ownership document of the current office premise at Upper hill and Outward Bound Loitoktok property. A presidential Decree was issued on 13th May 2022 for the transfer of title to be affected to PA-K. Follow-up on the ownership document has been escalated to the Head of Public Service and Cabinet Secretary, State Department for Youth Affairs and Creative Economy.	Not Resolved	FY 2024/25

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**Appendix II: Transfers from Other Government Entities**

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
State Department for Basic Education	08/08/2023	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	14/09/2023	Recurrent	4,166,666	4,166,666	-	-	-	-	4,166,666
State Department for Basic Education	19/10/2023	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	15/11/2023	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	07/12/2023	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	03/01/2024	Recurrent	4,166,666	4,166,666	-	-	-	-	4,166,666
State Department for Basic Education	15/02/2024	Recurrent	4,166,666	4,166,666	-	-	-	-	4,166,666
State Department for Basic Education	12/03/2024	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	15/04/2024	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	08/05/2024	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,666
State Department for Basic Education	14/06/2024	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,667
State Department for Basic Education	27/06/2024	Recurrent	4,166,667	4,166,667	-	-	-	-	4,166,666
State Department for Youth Affairs	14/02/2024	Recurrent	5,000,000	5,000,000	-	-	-	-	5,000,000
State Department for Youth Affairs	09/05/2024	Recurrent	5,000,000	5,000,000	-	-	-	-	5,000,000
State Department for Youth Affairs	14/02/2024	Recurrent	5,000,000	5,000,000	-	-	-	-	5,000,000
State Department for Youth Affairs	09/05/2024	Recurrent	5,000,000	5,000,000	-	-	-	-	5,000,000
<b>Total</b>			<b>70,000,001</b>	<b>70,000,001</b>	-	-	-	-	<b>70,000,001</b>

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**Appendix III- Inter-Entity Confirmation Letter**

a) State department for Basic Education



**THE PRESIDENT'S AWARD - KENYA**      **INTERNATIONAL AWARD**

Nation: The Excellency the President of the Republic of Kenya

**Appendix V: Inter-Entity Transfers Confirmation Letter**

**NAME OF TRANSFERING ENTITY: STATE DEPARTMENT FOR BASIC EDUCATION**

**NAME OF BENEFICIARY ENTITY: THE PRESIDENT'S AWARD - KENYA**

**Confirmation of amounts received by The President's Award-Kenya as at 30<sup>th</sup> June 2024**

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT23220613YC	08/08/2023	4,166,667	Nil	4,166,667	
FT23257F2NWP	14/09/2023	4,166,666	Nil	4,166,666	
FT23292PYDF2	19/10/2023	4,166,667	Nil	4,166,667	
FT233191LKMB	15/11/2023	4,166,667	Nil	4,166,667	
FT23341C6X83	07/12/2023	4,166,667	Nil	4,166,667	
FT24003MDD03	03/01/2024	4,166,666	Nil	4,166,666	
FT2404668HYK	15/02/2024	4,166,666	Nil	4,166,666	
FT24072DHFV4B	12/03/2024	4,166,667	Nil	4,166,667	
FT24106J611.7	15/04/2024	4,166,667	Nil	4,166,667	
FT24129K5C58	08/05/2024	4,166,667	Nil	4,166,667	
FT24166NC48H	14/06/2024	4,166,667	Nil	4,166,667	
FT241804PY7W	28/06/2024	4,166,667	Nil	4,166,667	
<b>Total</b>		<b>50,000,001</b>		<b>50,000,001</b>	

I confirm that the amounts shown above are correct as of the date indicated

**Head of Accounts: State Department for Basic Education**  
 Name: CPA Emilio Mukira    Sign: .....    Date: **05 SEP 2024**

**Head of Accounts: The President's Award-Kenya**  
 Name: CPA Grace Musyoka    Sign: .....    Date: **04/09/2024**

THE PRESIDENT'S AWARD - KENYA  
 P. O. BOX 62183 - 00200, NAIROBI  
 TEL NO: 2714829 / 2714830  
 MBL: 0722714122 / 0787419325  
 EMAIL: info@presidentsaward.or.ke

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**b) State Department for Youth Affairs and Creative Economy**

**Appendix V: Inter-Entity Transfers Confirmation Letter**

**NAME OF TRANSFERING ENTITY:** STATE DEPARTMENT FOR YOUTH AFFAIRS AND CREATIVE ECONOMY

**NAME OF BENEFICIARY ENTITY:** THE PRESIDENT'S AWARD-KENYA

**Confirmation of amounts received by The President's Award-Kenya as at 30<sup>th</sup> June 2024**

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT23222FNKPV	10-08-2023	5,000,000	Nil	5,000,000	
FT23304FMRBV	31-10-2023	5,000,000	Nil	5,000,000	
FT24045V83HS	14-02-2024	5,000,000	Nil	5,000,000	
FT2413008XHQ	09-05-2024	5,000,000	Nil	5,000,000	
<b>Total</b>				<b>20,000,000</b>	

I confirm that the amounts shown above are correct as of the date indicated

**Head of Accounts: State Department for Youth Affairs and Creative Economy**

Name: CPA Robert Asumani Samuel Sign:  Date: 5/9/2024

**Head of Accounts: The President's Award-Kenya**

Name: CPA Grace Musyoka Sign:  Date: 04/09/2024

THE PRESIDENT'S AWARD - KENYA  
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**Appendix IV: Reporting on Climate Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Jaza Miti Initiative	Planting of trees as per presidential directive	Planting 5 billion trees by 2032	Planting of trees in Ngong forest	-	129,360	-	-	Government Subvention	The Government of Kenya, Kenya Forest Service
Youth Innovative Activities	Planting of indigenous trees by the youth	Sensitization on indigenous trees among the youth	Planting indigenous trees by award participants	-	-	-	176,300	Government Subvention	PA-K Award Centres for Coast Region