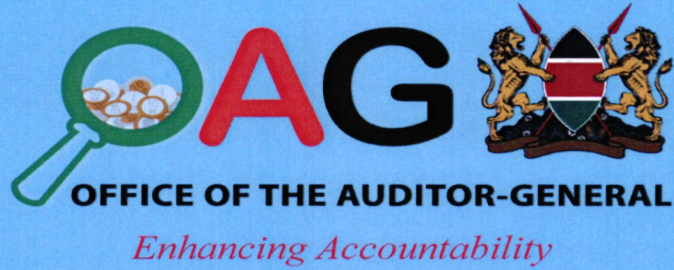


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REPORT

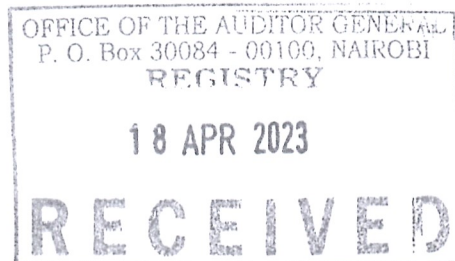
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FILED BY:	HON KIMANI ICHUNGWA LEADER OF MAJORITY
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THE AUDITOR-GENERAL

ON

KENYA FILM COMMISSION

FOR THE YEAR ENDED
30 JUNE, 2022



Film Kenya...Capture Africa!



KENYA FILM COMMISSION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING 30TH
JUNE 2022

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

Kenya Film Commission

Annual Report and Financial Statements for the year ended June 30, 2022.

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1. KEY KFC INFORMATION AND MANAGEMENT

a) Background information

The Kenya Film Commission (KFC) is a state agency that was established by the Government of Kenya in 2005 under legal Notice NO. 10 of 2005. In line with the Parastatal Reform process, a new Legal Notice No. 147 capturing the new and expanded functions of the Commission was signed on July 24, 2015.

The Commission's key stakeholders who are also its main customers are;

- a) Local and international filmmakers.
- b) Local and international Media.
- c) Government of Kenya.
- d) Non- Governmental Organizations.
- e) Strategic and business partners.
- f) Film industry associations.
- g) Board and Members of staff
- h) General Public.
- i) Educational Institutions
- j) Related industries such as tourism, transport, ICT among others.

b) Principal Activities

The mandate of the Kenya Film Commission is to;

- a) Develop, promote and market Kenya's film industry locally and internationally;
- b) Identify and facilitate growth of the film industry;
- c) Generate, manage and disseminate film industry research, information and market data, and act as a repository and archive of Kenya 's film records;
- d) Promote and facilitate the development of local content;
- e) Establish incubation centres for the film industry in Kenya;
- f) Coordinate and certify persons, associations and organizations participating in the production of film, photography, video, stills, animation, new media and related media;
- g) Establish and administer a film promotion fund;
- h) Provide liaison services for Government departments on matters relating to the promotion, marketing and development of the film industry;
- i) Develop fiscal and other incentives to promote investment in the film industry; and
- j) Partner, develop and create linkages with county, national and international organizations, both public and private, to improve and facilitate investment in the film industry.

The Commission's Vision:

“Kenya a global hub for film production “

Kenya Film Commission

Annual Report and Financial Statements for the year ended June 30, 2022.

The Mission statement:

“To develop a vibrant and sustainable local film industry, and market Kenya as a preferred filming destination for wealth and job creation.

Core Objectives

- a) To generate film industry revenue of KES. 40 billion
- b) To attain GDP contribution of 0.6 %
- c) To create 250,000 jobs in the film industry
- d) To attain KFC’s Brand awareness level of 82%
- e) To increase the number of annual international films shot in Kenya annually
- f) To achieve an employee satisfaction score of 85% To achieve a customer satisfaction score of 80%

c) Key Management

The Kenya Film Commission day-to-day management is under the following key organs:

- (a) Board of Directors
- (b) The Chief Executive Officer
- (c) The Management

d) Fiduciary Management

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

No.	Designation	Name
1.	Chief Executive Officer	Timothy Owase
2.	Corporation Secretary and Director Legal Services	Audrey Cheruto
3.	Director, Strategy and Planning	Joshua Achiya Akwara
4.	Manager, Legal Services	Ruth Muthui
5.	Manager, Corporate Communication	Letitia Ouko
6.	Manager, Finance and Accounts	Elias Cheptoo
7.	Manager, Internal Audit	Harriet Nkatha Ngeera
8.	Manager, Film Production, Liaison and Location Services	Christine Ochula
9.	Manager, Strategy and Planning	Moses Owino
10.	Manager, Human Resource and Administration	Josyline Kanake
11.	Manager Supply Chain Management Officer	Farah Mohamed
12.	Ag. Senior ICT Officer	Michael Yegon

Kenya Film Commission

Annual Report and Financial Statements for the year ended June 30, 2022.

e) Fiduciary Oversight Arrangements

The Commission has appointed various Committees to which it has delegated responsibilities with the Chairpersons of the Committees reporting to it. The Commission has four oversight Committees shown as below:

1. Audit, Risk and Compliance board Committee
2. Finance, Supply Chain and ICT board Committee
3. Planning, Human Resource and Administration Board Committee
4. Strategy and Technical Board Committee

f) Kenya Film Commission Headquarters

Jumuia Place II
Lenana Road,
Kilimani P.O. BOX
76419-00508 Nairobi,
Kenya.

g) Kenya Film Commission Contacts

Telephone: (254) 20 2714073/4, 0729407497/0733650068 E-

mail: info@filmingkenya.com / ceo@filmingkenya.com

Website: www.kenyafilmcommission.go.ke

Facebook: @KenyaFilmCommission

Instagram: @kenyafilmcommission

Twitter: @kenyafilmcomm

YouTube: @KenyaFilmCommission

LinkedIn: @KenyaFilmCommission

h) Kenya Film Commission Bankers

Kenya Commercial Bank
P.O Box 14959 - 00800
Sarit Centre Branch
Nairobi.

i) Independent Auditors

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

j) Principal Legal Advisor

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200

2. THE BOARD OF DIRECTORS

No.	Directors	Details
		Board Chairperson Ms. Dorothy Ghattuba Pala (Contract Expired 2nd May 2022)- (Date of Birth 5th July 1978) is the Chairperson of the Kenya Film Commission Board. She started her journey in the media and entertainment industry by co-founding Spiel works Media Limited – a regional leader in content creation, production, distribution and broadcast. She is dedicated to developing creative talent, creating quality content and telling authentic African stories that engage and resonate with audiences. Dorothy's honours include; Business Daily Top 40 Under 40 Women in Kenya in 2011 and 2014, Top 40 Under 40 Women in Film in Africa and Msafiri's Top 50 Business People in Kenya. Dorothy is an alumnus of The Bucerius School of Global Governance in Hamburg, Germany and a 2016 Archbishop Desmond Tutu Fellow. She is a graduate of the Stanford Institute for Innovation in Developing Economies SEED program.
		Mr. Aasif Karim (Date of Birth 15th December 1963), the chairperson for the Human Resource & Administration Board Committee. Mr. Karim is the Chairman of Safinaz Foundation as well as Founder and Festival Director of the Kenya International Sports Film Festival (KISFF). He is dedicated to this festival that showcases the synergy that exists between Sports, which unifies society, and Film which inspires society. Aasif is a former national cricket and tennis Captain who played in three International Cricket Council World Cups and overall played for the Kenyan National Cricket Team for 23 years. Additionally, he provided radio and TV commentary for International Cricket Tournaments as well as written commentary on the Kenyan sports scene. His Academic Qualification is BBA Insurance. Aasif is a Fellow Arbitrator and Accredited Mediator by the Kenyan Judiciary for Family and Commercial Disputes. Term to expire on 20th October 2022
		Ms. Sarah Migwi (Date of Birth 14th July 1978), the chairperson for the Audit, Risk and Compliance Board Committee. She is the Founder and Managing Director of Protel Studios, a TV content production company with offices in Kenya, Uganda and Nigeria. She worked as a Producer for Nation TV. Sarah has engaged in offering bespoke production solutions for advertising campaigns, documentaries, programmes and events. Sarah is a Rotarian with Rotary International and a Board Member for Women Corporate Directors (WCD). She is a graduate of the Stanford Institute for Innovation in Developing Economies SEED program, Strathmore Business School and United States International University – Africa. Term to expire on 20th October 2022

	 Mr. Ernest Kerich (Date of Birth 7th July 1959), was nominated the Ag. Board Chairperson after the expiry of the term of Ms. Ghettuba. He has over 38 years' experience in Public Service, starting with the Presidential Press Services and then the Department of Film Services. He was immediate former Director Department of Film Services in the Ministry of ICT. He holds a Diploma in Cinematography and Certificates in Strategic Leadership Development, Corporate Governance, Financial Management, Film Governance and Society and in Total Quality Management. Term to expire on 20th October 2022
	 Ms. Eunice Wangeci Macharia (Date of Birth 1968), the chairperson for the Finance, Supply Chain & ICT Board Committee. She is a self-trained film producer with over ten years in the industry creating content for the local TV stations and online markets, has produced over forty (40) titles worth over 5000 hours. She is the Founder and Managing Director of Kollywood (K) Movies founded in 2009 and formally registered in 2010 with its offices in Nyeri County. She has a background in Accounts having ACNC1 & 2. She has a Certificate in Guidance and Counselling currently pursuing Diploma in Counselling Psychology with Amani Counselling Centre. She is a trained and Practicing Mediator. She is the founder and president of The Kagure Foundation an NGO that supports Autistic persons with diapers. She is one of the founder members of Frak (CMO). She has a great passion in the film industry, strongly and proudly championing for the economic growth of the film industry through Distribution. She is currently using her gotten knowledge and exposure in the Industry to Nurture and Mentor upcoming film practitioners on the ground. Term to expire on 20th October 2022
	 Mr. Gideon Ole Saruni (Date of Birth 1959), the chairperson for the Strategy, Planning & Technical Board Committee. He has over 30 years' experience in both private and public sector, among them former local authorities and County Governments. He holds a Diploma in Business Studies and Degree in Bachelor of Business Administration. He also holds Certificates in CPA section three, Strategic Leadership. Development, Performance Management and Local Government Leadership and Management. Term to expire on 20th October 2022
	 Mr. Peter Njoroge (Date of Birth 27th September 1970). He sits in the KFC Board as an Alternate Director, representing the Cabinet Secretary, National Treasury. He is a director of planning at the National Treasury. He holds a Master of Science Degree in Development Planning from the Technical University of Dortmund (Germany), Masters of Science Degree Strategic Management from Moi University. Njoroge has over 27 years in sectoral and development planning, finance and budgeting, both at the national treasury and county levels. Term to expire on 20th October 2022

	 Mr. Kibaara Kaugi (Date of Birth 23rd October 1968). He sits in the KFC Board as an Alternate Director, representing the Principal Secretary, Ministry of ICT, Innovation and Youth Affairs. He is the Director Kenya Film School. He is a Filmmaker with more than 25 years in the Film Industry. He holds a BA (Hons,) from the University of Nairobi and a Diploma in Film Production/Directing, from the Kenya Institute of Mass Communication. Term to expire on 20th October 2022
	 Chief Executive Officer. Timothy Odhiambo Owase - MCIM, (Chartered Marketer), member of Public Relations Society of Kenya (PRSK), Association of Film Commissioners International (AFCI). Mr. Owase plays a key leadership role in leading the team at the Commission. He is a marketing and communication professional committed to investing in people, communities and businesses in transforming the society for a sustainable socio-economic development. His academic credentials include Masters in Development and Corporate Communications (MA) from Daystar University, BBA (Marketing) from Kenya Methodist University. Post Graduate Diploma in Marketing from the Chartered Institute of Marketing, Diploma in Marketing from London Chamber of Commerce and Industry (LCCI), Diploma in Business Management from Kenya Institute of Management, Certificate in Monitoring and Evaluation,
	 Corporation Secretary and Director Legal Services. Audrey Cheruto - Certified Secretary (CS-K), a member of the Trustee Development Program Kenya by College of Insurance, Membership Law Society of Kenya (LSK), East Africa Law Society (EALS) and Institute of Certified Secretaries of Kenya (ICS). Ms. Cheruto ensures that the Commission stays in compliance with the statutory and compliance requirements; ensure that the Board of Directors operates within the ambit of the Law. She holds a Master's degree in Business Management (Strategic Management) from Kenyatta University, Bachelor of Laws Degree from the Moi University, and Postgraduate Diploma in Law from the Kenya School of Law.

3. MANAGEMENT TEAM

	Management	Details
		Chief Executive Officer. Timothy Odhiambo Owase - MCIM, (Chartered Marketer), member of Public Relations Society of Kenya (PRSK), Association of Film Commissioners International (AFCI). Mr. Owase Plays a key leadership role in leading the team at the Commission. He is a marketing and communication professional committed to investing in people, communities and businesses in transforming the society for a sustainable socio-economic development. His academic credentials include Masters in Development and Corporate Communications (MA) from Daystar University, BBA (Marketing) from Kenya Methodist University. Post Graduate Diploma in Marketing from the Chartered Institute of Marketing, Diploma in Marketing from London Chamber of Commerce and Industry (LCCI), Diploma in Business Management from Kenya Institute of Management, Certificate in Monitoring and Evaluation, among other qualifications.
		Corporation Secretary and Director Legal Services. Audrey Cheruto Certified Secretary (CS-K), a member of the Trustee Development Program Kenya by College of Insurance, Membership Law society of Kenya (LSK), East Africa Law Society (EALS) and Institute of Certified Secretaries of Kenya (ICS). Ms. Cheruto ensures that the Commission stays in compliance with the statutory and compliance requirements; ensure that the Board of Directors operates within the ambit of the Law. She holds a Master's degree in Business Management (Strategic Management) from Kenyatta University, Bachelor of Laws Degree from the Moi University, and Postgraduate Diploma in Law from the Kenya School of Law.

	 Director Strategy and Planning. CS Joshua Achiya Akwara - Member with the Marketing Society of Kenya and a Full Member at Kenya Institute of Management (KIM). Mr. Achiya is in charge of developing and reviewing business development strategies, policies, guidelines, standards and procedures for the film industry; planning and overseeing the development and review of the Commission's Strategic Plan. He holds a Master of Business Administration majoring in Strategic Management from the University of Nairobi, Bachelor of Business Administration majoring in Marketing from Maseno University and a Practitioners Diploma in Marketing from the Marketing Society of Kenya (MSK).
	 Manager, Corporate Communication Letitia Ywaya Ouko - Member of the Public Relations Society of Kenya (PRSK) and the Chartered Institute of Public Relations (United Kingdom). Ms. Ouko leads the development and implementation of the commission's internal and external communication strategies to ensure that unified, consistent, and positive messages define and promote the commission's identity and mission. She holds a Master of Arts Degree in Communication from the University of Nairobi, Bachelor of Arts in Sociology and Political Science from the Catholic University of Eastern Africa and a Professional Diploma in Public Relations from the Chartered Institute of Public Relations (United Kingdom).
	 Manager Finance and Accounts. Elias Kiprono Cheptoo – Member of the Institute of Certified Public Accounts of Kenya (ICPAK). Oversees prudent management of the Commission's financial resources by ensuring compliance with the PFM act (2012). He holds MBA (Finance) from Maseno University, Bachelor of Business Administration (Accounting & Finance). He has attended many Management Courses in the career of Corporate Governance, Risk Management, Strategic Planning and Financial Management.
	 Principal Accountant Bernard Kibe – Certified Public Accountant (CPA K). Deputizes the Manager Finance and Accounts. He has over fifteen years working experience in finance and accounting in both public and private sectors. He is a Certified Public Accountant (CPA K), holds a Bachelor Degree in Business Administration (Accounting Option) from Maseno University and MSC in Procurement & Logistics from JKUAT.

	 Manager, Internal Audit Harriet Nkatha Ngeera - Member of Institute of Certified Accountants of Kenya (ICPAK); Institute of Certified Public secretaries of Kenya (ICPSK); Institute of Credit Management ICM (Kenya); Institute of Internal Auditors (IIA)-Kenya chapter; Association of Women Accounts of Kenya (AWAK) and Institute of Directors (IoD)-Kenya. Ms. Nkatha is responsible for formulating and coordinating the implementation of internal audit strategies and plans, setting up and implementing systems in accordance with auditing standards, monitoring and reporting on the Commission's overall risk profile among other roles. She holds a Masters' Degree in Finance from Jomo Kenyatta University of Agriculture & Technology (JKUAT) and Bachelor's Degree from Kenya Methodist University.
	 Manager Film Production, Liaison and Locations Services Christine Ochula - A full member of the Kenya Union of Journalists. Ms. Ochula provides liaison services to filmmakers/producers with County Government and Government agencies; Establishing and maintaining strong relationships with film facilities; Liaise with film producers to identify suitable filming locations including the distributions of films locally and internationally; Mapping out Kenya's key locations for the local and international film locations market, among other roles. She holds a Masters in Project Planning and Management at Kampala International University, a Bachelor's degree in Mass Communication at Makerere University and has further undergone training in Television and Film Production from Media Development in Africa and Communication from Daystar University.
	 Manager Strategy and Planning Dr. Moses O. Owino, Ph.D. Dr. Owino leads the Strategy, Planning, monitoring and evaluation functions at the Commission. He holds a Business Management, Strategic Management option Ph.D. degree from Rongo University, Master of Business Administration, Strategic Management option; Bachelor of Agribusiness Management (1st Class honors) conferred on him at Kisii and Egerton Universities.

	Manager Human Resource Joseline Kanana Kanake – A full member of the Institute of Human Resource Management (IHRM). Ms. Kanake ensures that all employment practices, compensation, employee benefits, and human resources programs are within established standards, procedures, guidelines, and policies of KFC and local labour laws. She also ensures contact with the labour industry, other organizations and government departments to keep abreast and updated on developments that are relevant to the human resources process in KFC. She holds a Master's in Business Administration (specialized in HRM and Strategic Management) from the University of Nairobi, a Bachelor's degree in Commerce (Business Administration and Management and Marketing) from Daystar University. She has a certificate in Strategic Management and Leadership from the Kenya Institute Management, a higher diploma in Psychological Counselling from the Kenya Institute of Professional Counselling.
	Manager Supply chain Mohamed Abdirahman Farah - Member in good standing of CIPS and Kenya Institute of Supplies Management (KISM). Assist the Commission to achieve its strategic goals through
	implementation of efficient and effective systems of acquisition of goods, works and services, as well as disposal of assets. He holds Master's in Business Administration (specialization in Procurement and Supplies Management), a Bachelor's degree in Business and Commerce (specialization in Procurement), Diploma in Procurement (CIPS) and currently pursuing a Bachelor's degree in Law (LL. B) at the University of Nairobi.

	 Principal Supply Chain Management Officer. Evans Mac' Osewe – Member of CIPS-UK, CILT Kenya and Kenya Institute of Supplies Management (KISM). He is a licensed practitioner by KISM. Mr. Mac'Osewe Oversees effective management of the Commission's supply chain through internal need consolidation, supplier identification, procurement process management and quality assurance in line with the Commission's mission. He holds a Bachelor degree in Procurement and Supplies Management, CIPS-UK Graduate Diploma in Purchasing and Supplies, CILT International Advanced Diploma in Logistics and Transport Management and a Certificate in Insurance. He is currently pursuing a Master (Msc.) Degree in Procurement and Logistics at the Jomo Kenyatta University of Agriculture and Technology (JKUAT).
	 Ag. Senior ICT Officer Mr. Michael Yegon - A Cisco Certified Network Associate Responsible for providing professional, technical and operational support for Systems, Infrastructure and ICT services including acquisition, development, management and other ICT resource decisions across the departments. He has a Computer Science degree from Kabarak University and is with over 5 years of experience in software development, web development, system administration, and IT support in the private and public sectors.

4. CHAIRPERSON'S STATEMENT



Dear Stakeholders,

The Board Directors of the Kenya Film Commission (KFC), hereby submit the annual report and financial statements for the period ending June 2022. The Kenya Film Commission was established vide Legal Notice No. 10 of 2005 as a State Agency. In line with the Parastatal Reform Process, a new legal notice No. 147 capturing new and expanded functions of the Commission was signed in July 2015. The

Commission is

a state corporation under the Ministry of ICT, Innovation and Youth Affairs.

The Board is fully committed to ensuring that KFC fulfils its mission of developing a vibrant and sustainable local film industry and marketing Kenya as a preferred filming destination for wealth and job creation.

In line with this mandate, KFC has created programs aimed at supporting the industry in attaining the 40% local content quota required by regulation as per the Kenya Information and Communication Act 2013, and continued to market Kenya as a global hub for film production. This involves working with film professionals, Film Commissions around the globe, Government agencies, private organizations, professional bodies and associations in the film industry.

The development and promotion of a vibrant film Industry remained a top priority for the Commission that contributed in the achievement of the national development agenda as espoused in the Kenya Vision 2030. During the year under review, the Commission undertook to bridge the film industry skills gap as well as promoting filmmaking in the grassroots through capacity development workshops in counties. The Commission trained over 500 youth in Bomet, Siaya, Mombasa, Kiambu, Transnzoia, Embu, Nyeri and Nairobi Counties. The trainings focused on strengthening the local film makers' professional skills and equipping them with information to enable them compete effectively in the local and international film environments. In addition to the film production training conducted every year, the Commission this year introduced training in Animation, Transcription dubbing and subtitling. These new areas are aimed at adopting to the new technological development in the film industry.

The Commission launched Kenya's unique filming locations to a wider local and global audience. The objective of this event was to highlight the screen business among Kenyan filmmakers and attract more foreign investment through international films being shot on location in the country. As a result, a wide array of job opportunities will be created for film practitioners and sector service providers across the economy.

The 5th edition of Kalasha International TV and Film Market provided a unique platform for regional & international players and festival goers from the TV & Film industry to gather, discuss exchange, collaborate, share stories and develop new business opportunities in a fast-growing region. For three days, local and international professionals from the Audio-Visual and Film

industry got a unique opportunity to boost their business through trading content, partnership opportunities, networking and more.

The Commission recognized the effort of the players in the industry through feted awards including the 10th edition of Kalasha International Film and TV awards, the 5th Edition of My Kenya My Story mobile phone film competition and the 2nd edition of My County My Story festival. In addition, the Commission continues to stimulate the growth of the Kenya Film Industry by supporting film industry events. During the year under review, the Commission supported industry festivals in 6 counties including Nairobi, Mombasa, Meru, Uasin Gishu, Machakos and Nyandarua.

The Commission remained steadfast in delivering projects through Public-Private Partnerships. The Commission forged partnerships with various Government Institutions, Corporates, for the goodwill of the local film industry growth. Some of the partnerships that KFC forged included Canon, Kenya Film School, Star Times Kenya, Safaricom, Kwa Zulu Natal Film Commission, and Four points, Magnet Ventures, Jambo Jet, Heart the Band, St Paul University, Talanta Institute, Kenya National Bureau of statistics and Dedan Kimathi University of Technology among others.

The Board remained alive to its fiduciary responsibility by ensuring efficient and transparent utilization of resources allocated to the Commission.

Going forward, the Commission will remain focused on strategies that will enable it achieve its core mandate. The Commission's priority areas will include; promoting screen culture through film screenings in various festivals, host focus groups on industry matters, create more film hubs across the country, push for the implementation of the Film Policy and Bill, market Kenya as preferred filming destination, as well engage in continuous capacity development.

I wish to express my sincere gratitude to my fellow Board of Directors who have worked tirelessly to ensure that the Commission meets its obligations. I would also like to recognize the strategic initiatives of the Chief Executive Officer, the Management team and staff whose efforts contributed to the growth of the film industry in the year under review. I also wish to thank our parent Ministry of ICT, Innovation and Youth Affairs, National Treasury, and all other stakeholders for their continued support in ensuring we attain our objective of growing the film industry.

Signed:

Date:

.....

For: Chairperson

5. REPORT OF THE CHIEF EXECUTIVE OFFICER



The Kenya Film Commission is pleased to present the Kenya Film Commission (KFC) Annual Report and the Financial Statements for the financial year ended 30th June 2022

In the recent years, we have seen unprecedented growth in film and television production. The scale and nature of this growth presents a major opportunity for Kenya and the region to service demand by investing in production capability and capacity.

The Commission as a key enabler towards the achievement of the Big four agenda, undertook various programmes towards the development and promotion of a vibrant film industry globally as well as marketing Kenya as a filming destination.

During the period under review, the Commission embarked on nurturing local talent and promoting the local film industry. The Commission held capacity development programmes and trained over 500 filmmakers in Distribution & Marketing, Production, Scriptwriting, Cinematography, Intellectual Property Rights, Financing, Animation, Transcription, Dubbing and Subtitling. The Commission utilized the film hubs in Nyeri and Bomet county in some of the workshops to facilitate its functions of content and capacity development, and promotion of local films at grass root level.

The Kalasha International Film and TV awards is integral to the establishment and growth of the Kenya film industry. By recognizing our own level of excellence and the achievements of our film practitioners, we set benchmarks for future film-makers and encourage the expansion of the industry.

The 11th edition of Kalasha International Film and TV awards took place on 10th December 2022 where 31 winners were recognized.

To facilitate growth of the film industry, the Commission supported participation of 10 filmmakers whose films were nominated in international film festivals including Zanzibar International Film Festival in Tanzania, Cannes International Pan African Film Festival in France, The 2021 AFCI Cineposium, Sotigui Awards in Burkina Faso, and Rustenburg Film Festival in South Africa. The Commission was able to show its commitment towards the growth of the local film industry globally. Nomination of Kenyan films in international films shows that the local film industry has improved in production of quality films that compete internationally, thanks to the Commission's programmes that has continued to enhance the skills and capacity of the local films to enable them to produce competitive productions.

The Commission has a strategic objective to provide relevant, current and timely information on the film industry to spur growth and enhance strategic decision making. To achieve this objective, the Commission collaborated with the Kenya National Bureau of statistics to create a film industry

Kenya Film Commission

Annual Report and Financial Statements for the year ended June 30, 2022.

satellite account (FISA) that will establish the economic contribution of the Kenyan film industry to the GDP. The overarching objective of the study is to quantify the revenue generated through local film and filming activities.

The Commission is officially recognized by the Academy of Motion Pictures Arts and Sciences (The Oscars) to set up an OSCARS Selection Committee from Industry Associations and Guilds to make submissions for the Best International Feature Film Category Award on behalf of the Kenyan film industry. The Feature Film “Mission to Rescue” as selected by the Kenya Oscars selection committee was submitted for the 94th Academy Awards (Oscars) as the official Kenya Selection for the Best International Feature Film Category.

The Commission promotes equitable growth and development of Kenyan film industry. The Commission’s bursary and scholarship programme is aimed at building capacity of talented needy students interested in pursuing courses in the film industry. The Commission during the year under review supported 7 needy students from disadvantaged backgrounds to pursue training in the cinematic arts at the Kenya Film School.

A key component in developing a vibrant film industry globally is the establishment of a screen culture through a steady growth of an audience base. The Commission continues to promote a culture of Kenyans watching Kenyan content. During the year under review, the Commission organized activities that engaged audiences with Kenyan films including; 5 film premieres, 8 local film festivals supported and county film screenings in 5 counties. In addition, the Commission engaged the public through screening of local content selected during the My County My Story festival.

My County My Story festival aimed at growing the local film industry. The festival provides a platform for local filmmakers to come together and share knowledge and capacities by creating a space for joint action and engagement making a stronger impact on cultural, social and economic development of the cinema in the counties. This year, the Commission received 88 submissions from 24 counties. Out of the 88 submissions, 7 films that met the submission requirements were selected and screened between 12th and 26th June 2022 in the four major cities including, Kisumu, Nairobi, Nakuru and Mombasa.

My Kenya My Story mobile phone film competition seeks to power the growth of the local film industry countrywide with the affordability of a smart phone over “high-end equipment” as well as widening the scope of film making. The Commission undertook the competition themed “**Disaster Prevention and Mitigation in Kenya**”. The competition that received 116 submissions saw 4 winners being awarded for exemplary work as follows; Winner-Ksh 200,000.00, 1st Runners up- Ksh 150,000.00, 2nd Runners up- Ksh 100,000.00 and one Jury mention- Ksh 50,000.00.

The Kenya Film Commission through the school outreach program establishes film clubs in schools. During the year, the Commission established film clubs in thirteen schools and registered 778 students. The Film clubs are a great opportunity for students to watch local films together and discuss them with other film lovers their age. This creates interest of watching local productions

Annual Report and Financial Statements for the year ended June 30, 2022.

from an early age. Children aged between 14- 18 years spends a lot of time watching movies and they form the best target to create interest for watching local films, thus developing an audience for the local productions. The Commission awarded the best students' performances with camera equipment during the Kenya Schools and Colleges Film Festival. The event brought together more than 100,000 students to watch over 350 films.

In closing, I would like to extend my sincere gratitude and appreciation to the Board, management and the entire staff of the Kenya Film Commission for their guidance, continued support and persistent effort to better the Commission. May God Almighty guide us to serve our beloved country as we continue to ensure a fast and sustainable growing film industry.

Signed.....

Date.....

Timothy Owase
Chief Executive Officer

Annual Report and Financial Statements for the year ended June 30, 2022.

6.STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2021/22

Kenya Film Commission has four strategic pillars within the current Strategic Plan for the FY 2020/2021 to 2024/25. These strategic pillars are as follows:

- Pillar 1: Promotion and Marketing
- Pillar 2: Film Industry Development

Strategy	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Promotion and Marketing.	Improve awareness and uptake of local film assets.	Local film industry showcased in international and local film festivals, markets and awards	Market at showcase to local film industry and local film Markets.	In the financial year 2021/2022, the Commission organised; Kalasha International film and TV awards and market, Reel County Film festival (My county my story film festival), My Kenya my Story festival (mobile phone film competition).
		% Increase in the	Organize regional film	The Commission facilitated the selection and submission of a Kenyan production “Mission to Rescue” for the 94 th Oscars awards. From the festivals, over 268 films were produced on location Kenya. In the Financial Year 2021/2022

The Commission develops its annual work plans based on the above 4 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Commission achieved its performance targets set for the FY 2021/2022 period for its 4 strategic pillars, as indicated in the diagram below:

Kenya Film Commission
Annual Report and Financial Statements for the year ended June 30, 2022.

		uptake of local content	screenings	the Commission organized and participated in various film screening events including; supported film premieres and organized community screening in Kisumu, Nairobi, Mombasa, Uasin Gishu, Nakuru and Nyeri counties
		No of youths trained on film production	Organized film production workshops to train the youth in Entrepreneurship, Distribution & Marketing, Production, Cinematography, Copyright, Intellectual Property Rights and Financing filmmakers.	The Commission held capacity development programmes and trained 520 filmmakers through county workshops, Film residency programme, online workshops and conferences.
Pillar 2: Film Industry Development	Skills Development	No. of film productions supported.	Execute the Film Empowerment programme.	The Commission executed the 2nd cycle of its Film Empowerment Programme where a total of 14 projects in the FY 2021/2022 received funding of 29 million for their projects.

Annual Report and Financial Statements for the year ended June 30, 2022.

	Infrastructure development.	No. of industry-based researches done.	Conduct baseline industry survey	The Commission collaborated with Kenya National Bureau of statistics to develop the Film Industry Satellite Account (FISA) that will establish the economic contribution of the Kenyan film industry to the GDP. Thus, the country will be able to quantify the revenue generated through local film and filming activities.
Pillar 3: Institutional Strengthening	Industry Empowerment Develop a comprehensive in-house process for continuous capturing and dissemination of industry data	No. of policies developed for the film industry No. of culture change programmes undertaken	Development of the Film Incentives Guidelines Establish an incentive program for reward and recognition	The Commission facilitated the development of the Film incentives guidelines This year saw the inaugural of the CEO's parade programme that recognised best performing employees and awarded them. The themed bonding Friday sessions improved relationship between employees in the Commission.

Kenya Film Commission
Annual Report and Financial Statements for the year ended June 30, 2022.

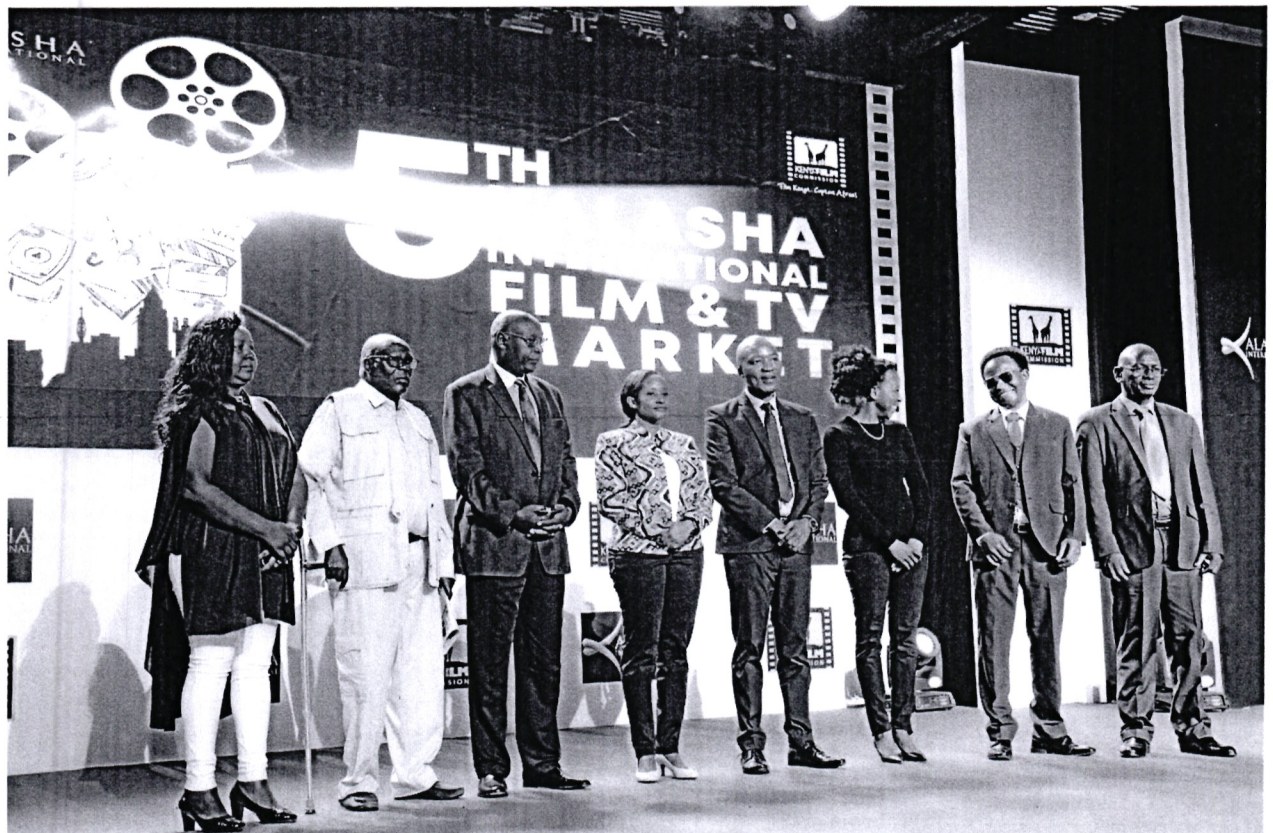
Pillar 4: Governance	Launch a culture change programme	No. of programmes developed through partnerships with the counties	Seek joint industry programmes with Counties to develop film and TV industry at the County level	One Film hub fully established through partnership with the Uriri in Migori County
	Enhance performance of the Commission	Forge bilateral agreements with development partners in areas of mutual interest i.e., skills, research and technology transfer	The Commission entered into collaboration with over 11 public and private institutions with an aim of growing the local film industry. In this, the Commission partnered with GIZ, Kenya Film School, Multichoice talent Factory, KNBS, ADA Animation, IWL, NITA and KNQA, Netflix	These partnerships facilitated and supported the Commission's programs in areas of capacity development, research and film distribution.



12th Edition
**KALASHA INTERNATIONAL
FILM AND TV AWARDS**
Call for Submissions

TO SUBMIT VISIT: <https://kalasha.kenyafilmcommission.go.ke/call-for-submissions/>
ONLY ONLINE SUBMISSIONS WILL BE ACCEPTED
SUBMISSION DEADLINE: 7TH OCTOBER 2022
For enquiries email: kalashasubmissions2022@filmingkenya.go.ke

11th edition of Kalasha International Film & TV Awards call for submission



Opening Ceremony for Kalasha International Film & TV Market



Reel County Screening



Capacity Development Practical



Capacity Development Graduation



Stakeholder Engagement Forum



School outreach programme

7. CORPORATE GOVERNANCE STATEMENT

Introduction

The Commission remains committed to upholding the highest standards of good corporate governance practices to ensure sustainable management of economic and social resources for the sustainability of the film industry development. It is against this background that the operations of the Commission are conducted with integrity, professionalism, ethics and in compliance with the law, rules and regulations to ensure delivery of long term and sustainable shareholder value as well as meet the needs of our stakeholders.

Our Board being the core of the Commission's governance structure is committed to the principles of best practice in corporate governance. This is done through adoption of high standards of ethical and moral behaviour; recognition and upholding of the best interest of all stakeholders; ensure that the Commission acts as a good corporate citizen and is recognized as an icon in service provision.



Board of Directors

Succession Plan

The Commission endeavours to ensure that the terms of the members of the Board are staggered to ensure a smooth transition when terms of service come to an end at any one particular time.

Board Charter

The Charter is critical to the Commission's governance framework and offers guidance on effective operation of the Board. The Commission has an approved Charter developed in accordance with the

Mwongozo code of code of governance for State Corporations “Mwongozo”, and is a complementary to the Board requirements captured in all applicable laws and regulations.

The purpose of the Board Charter is to promote the highest standards of Corporate Governance and to set out the role, composition and responsibilities of the Board of Directors. The Board Charter serves not only as a reminder of the Board’s roles and responsibilities but also as a general statement of intent and expectation as to how the Board discharges its duties and responsibilities. The Board Charter is periodically reviewed to ensure that it remains current.

Role and Responsibilities of the Board

The Board provides leadership, oversight and stewardship of the Commission towards sustainable long-term success through the exercise of objective and informed judgment in determining the strategy of the Commission, having the best team in place to execute that strategy, monitor performance and maintain an effective framework of controls to mitigate risks facing the organization.

The Board in the course of discharging its duties, acts in good faith, with due diligence and care, and in the best interests of the Commission and its stakeholders. The Board meets at least four (4) times a year, the schedule of dates of the meetings and agenda are agreed upon by the Board members and are set out in the Board work plan. The Board and committees’ papers are prepared and circulated to all Directors for all substantive agenda items at least two weeks prior to the meeting. This allows time for the directors to undertake an appropriate review of the Board papers to facilitate full and effective direction and control over strategic, financial and operational issues at the meetings. Where Directors are unable to attend a meeting, they are given the opportunity to make their views known to the chairman or the Chief Executive Officer prior to the meeting.

The Board is not involved in the conduct of day-to-day business as this is the responsibility given to the Chief Executive Officer. It however, retains the responsibility of approving the policies of the Commission.

The Board membership appointments

The Board membership is outlined in Kenya Film Commission Legal Notice 147 of 2015 Section 6 (1) as comprising of nine (9) Directors as indicated below;

- (a) Non-executive Chairperson appointed by the President;
- (b) The Principal Secretary of the Ministry for the time being responsible for the film industry;
- (c) The Cabinet Secretary to the National Treasury
- (d) Chief Executive Officer of the Commission;
- (e) Five other persons, who in the opinion of the Cabinet Secretary, possess skills and experience that will benefit the work of the Commission appointed by the Cabinet Secretary.

The Chairperson and members of the Board other than the Chief Executive Officer hold office for a term of three years and are eligible for re-appointment for one further term of three years.

The Board membership removal

The Kenya Film Commission Legal Notice 147 of 2015 Section 8 (3) states that the Chairperson or any member of the Board may-

- a) At any time resign from office by a notice in writing addressed to the President and Cabinet Secretary; respectively
- b) Be removed from office if the Chairperson or a member of the Board:
 - i. Has been absent, from three consecutive meetings of the Board without the permission of the Chairperson;
 - ii. Is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding two hundred thousand Kenya shillings;
 - iii. Is incapacitated by prolonged physical or mental illness; or iv. Conducts himself or herself in a manner considered by the Cabinet Secretary to be inconsistent with membership of the Board.

Induction and Training

Each year the Board of Directors prepare a training calendar where specific training needs are identified and scheduled. The trainings focus on leadership, risk management, governance, finance and other relevant areas. A detailed induction programme is conducted for newly appointed Directors to enhance their understanding of the nature of business operations, performance and strategies. In the year 2021, there were no new Directors appointed to the Board.



Board of Directors during a training

Conflict of Interest

The Board has in place a policy of requiring Directors to make full disclosure of any matters in which they may have a personal interest that may result in a conflict of interest when acting in their capacity as Directors. The Policy also requires them to refrain from voting or discussing matters of potential conflict of interest. The Board and Board Committee meetings have a standing agenda item on the declaration of interest, where members declare actual, potential or perceived conflicts of interest. The declared items of interest are part of the minutes and are documented in a conflict-of-interest register.

Board Remuneration

The Board does not have a remuneration Committee; however, the Chairman and members of the Board, other than the Chief Executive, are paid sitting allowance or other remunerations as guided by the relevant government authorities from time to time.

Board Performance

The Commission, in compliance with Mwongozo code of Governance conducts an annual Board Evaluation through the State Corporations Advisory Committee (SCAC). The following is a summary of the performance evaluation results for the year 2021/2022 conducted on 11th July 2022 as provided by SCAC. The Corporate Board Performance was 4.525 with a percentage score of 90.50.

Ethics and Code of conduct

The Commission has demonstrated commitment to implement the Leadership & Integrity Act, 2012 and Members of the Board have conducted themselves professionally in both official and personal spaces. No unethical issues were noted or reported during the financial year.

Governance audit.

The commission did not carry out governance audit during the financial year. There were no governance issues that were noted or reported.

Summary of Board Meeting Attendance

The Board holds meetings on a regular basis while special meetings are called when it is deemed necessary to do so. The Board held statutory and special meetings during the year under review as required by law, also conducted recruitment and selection for managerial levels, Board retreat on review of the Commission's policies, governance training as per scheduled Board calendar during the year under review. The following are the meeting attended as below:

Full Board Meeting Attendance					
	Name	Role	When appointed	When retiring	Meetings attendance 2021/22
1	Ms. Dorothy Ghattuba Pala	Board Chairperson	3rd May 2019	2nd May 2022	1/12
2	Mr. Ernest Kerich	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	12/12
3	Mr. Kibaara Kaugi	Member Rep. PS MOICT	7 th August 2020	N/A	12/12
4	Mr. Peter Njoroge	Member Rep. CS NT	7 th August 2020	N/A	12/12
5	Mr. Gideon Ole Saruni	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	12/12

6	Mr. Aasif Karim	Member	21 st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	12/12
7	Ms. Sarah Migwi	Member	21 st Oct. 2019	20th Oct. 2022 (1st Term End)	12/12
8	Eunice Macharia	Member	21 st Oct. 2019	20th Oct. 2022 (1st Term End)	12/12

	Name	Role	When appointed	When retiring	Meetings attendance 2021/22
1	Ms. Dorothy Ghattuba Pala	Board Chairperson	3rd May 2019	2nd May 2022	N/A
2	Mr. Ernest Kerich	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	37
3	Mr. Kibaara Kaugi	Member Rep. PS MOICT	7 th August 2020	N/A	24
4	Mr. Peter Njoroge	Member Rep. CS NT	7 th August 2020	N/A	24
5	Mr. Gideon Ole Saruni	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	24
6	Mr. Aasif Karim	Member	21 st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	21
7	Ms. Sarah Migwi	Member	21 st Oct. 2019	20th Oct. 2022 (1st Term End)	24
8	Eunice Macharia	Member	21 st Oct. 2019	20th Oct. 2022 (1st Term End)	24

Board Induction and Continuous Development

The Board should;

- Develop an induction programme for new Board members; and ensure that a competence needs assessment is carried out and an annual development programme for a minimum of two days per Board member is put in place.
- Ensure they are up-to-date with continuous professional development in their respective professional bodies.
- Receive regular briefings on matters relevant to the business of the organization, changes in laws and regulations including government accounting policies and practices. □ Be certified by an accredited body within six months of their appointment.

Committees of the Board

The following Board Committees met under defined terms of reference set by the Board;

Strategy, Planning & Technical Board Committee

The Committee fulfilled its corporate governance responsibilities and in particular to provide strategic oversight to the core functions of the Commission, being developing, promoting and marketing the film industry in Kenya. The Committee held regular meetings and special meetings in the year as hereunder.

Strategy, Planning & Technical Board Committee

	Name	Role	When appointed	When retiring	Meetings attendance 2021/22
1	Gideon Ole Saruni	Chair	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	2/5
2	Kibaara Kaugi	Member Rep. PS MOICT	7 th August 2020	N/A	5/5
2	Sarah Migwi	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	5/5
5	Peter Njoroge	Member	7 th August 2020	N/A	5/5
6.	Aasif Karim	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	2/5

Finance, Supply Chain & ICT Board Committee

The Finance, Supply Chain & ICT Board Committee is responsible for performing the duties delegated to it by the Board of Directors, to enable the Board to fulfil its responsibilities, in relation to approving budgets and financial statements for the Commission.

Finance, Supply Chain & ICT Board Committee

	Name	Role	When appointed	When retiring	Meeting's attendance 2021/22
1	Eunice Macharia	Committee Chairperson	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	8/8
2	Ernest Kerich	Member	21st Oct. 2019 (1st Term)	20th Oct. 2022 (1st Term End)	8/8
3	Mr. Kaugi Kibaara	Member (M ICT PS Rep)	7 th August 2020	N/A	8/8

4	Mr. Peter Njoroge	Member (NT CS Rep)	7 th August 2020	N/A	8/8
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Human Resource Board Committee:

This Committee undertakes the HR & Administration oversight functions over all the Human Resource and operations of the Commission and ensure compliance to all statutory and regulatory requirements. The Committee also undertakes the hiring, work place policies, evaluation, grievance/whistleblowing and layoffs of staff and performance of the Commission's HR functions.

Human Resources & Administration Board Committee

	Name	Role	When appointed	When retiring	Meeting's attendance 2021/22
1	Aasif Karim	Committee Chairman	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	*8/16
2	Mr. Ernest Kerich	Member	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	16/16
3	Eunice Macharia	Member	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	16/16
4	Mr. Kaugi Kibaara	Member (MOICT PS Rep)	7 th August 2020	N/A	12/16
5	Mr. Peter Njoroge	Member (NT CS Rep)	7 th August 2020	N/A	14/16
6	Gideon Ole Saruni	Member	21st Oct. 2019 (1st Term)	20 th October 2022 (1st Term End)	7/16

***Note, Mr. Aasif Karim attended 8/16 meetings after reconstitution of the committee.**

Audit, Risk and Compliance Board Committee:

The Committee fulfilled its corporate governance responsibilities and in particular to maintain oversight on internal control systems, review and make recommendations regarding the Commission's budgets, financial plans and risk management and liaise with the external auditors. The Committee held regular meetings and special meetings in the year under review.

Audit, Risk & Compliance Board Committee

	Name	Role	When appointed	When retiring	Meeting's attendance 2021/22
s1	Ms. Sarah Migwi	Committee Chairperson	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	5/5
3	Mr. Gideon Ole Saruni	Member	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	5/5
4	Mr. Peter Njoroge	Member	7 th August 2020	N/A	5/5
5	Mr. Aasif Karim	Member	21st Oct. 2019 (1st Term)	20th October 2022 (1st Term End)	5/5

8. MANAGEMENT DISCUSSION AND ANALYSIS

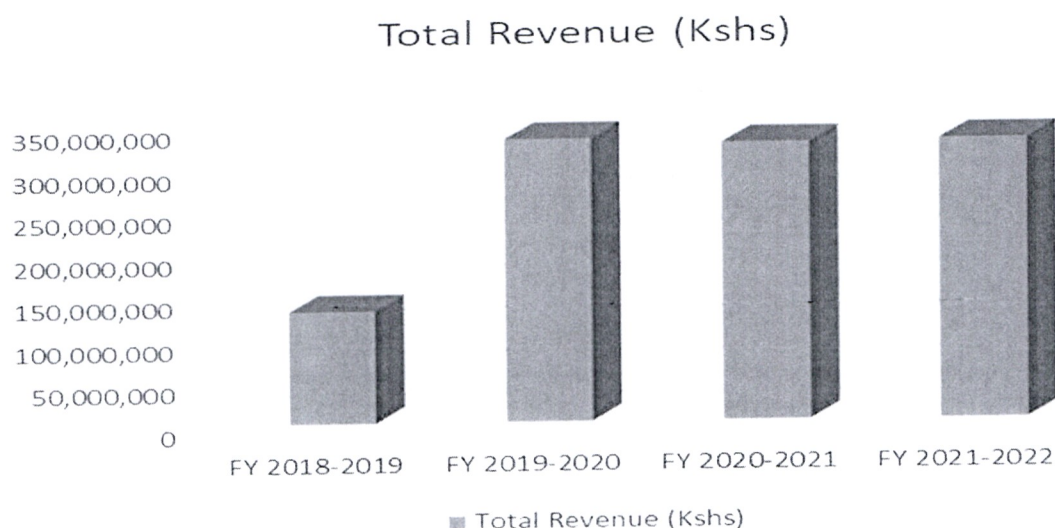
The management is upbeat to report on the operational and financial performance of the organization during the period FY 2021/2022.

Financial Performance

The Commission's main funding comes from the exchequer and this has grown over time as shown in the table below:

	2018-2019	2019-2020	2020-2021	2021-2022
Other Income (Kshs)	2,124,803	10,005,000	519,800	81,885
Public Contributions and Donations	-	-	28,837,400	324,380
Exchequer (Kshs) Development	-	-	7,500,000	15,000,000
Exchequer (Kshs) Recurrent	129,689,096	320,960,000	287,960,000	312,000,000
Total Revenue (Kshs)	131,813,899	330,965,000	324,817,200	327,406,265

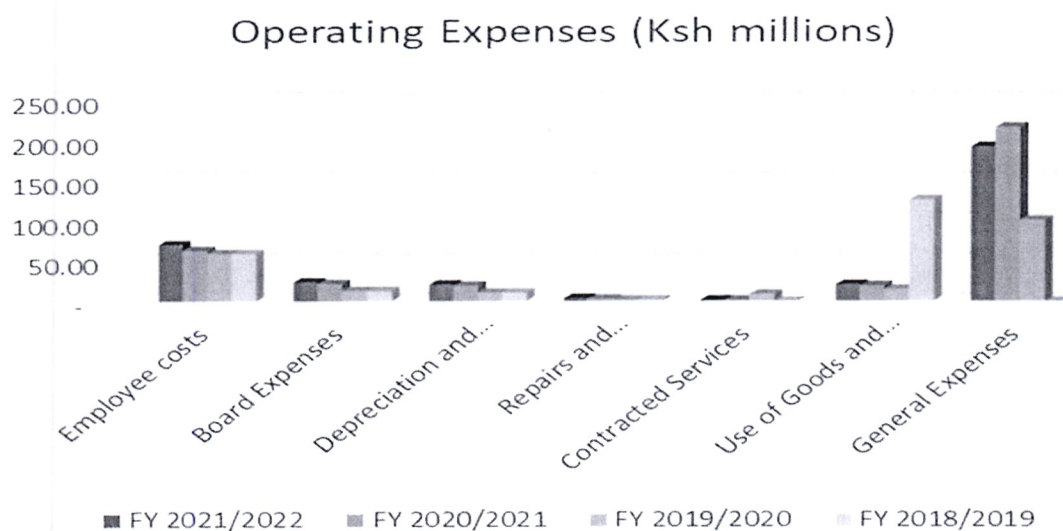
The funding trend from the exchequer and other sources can be depicted graphically as below:



The operating expense across the last 4 years is as shown below:

Operating Expenses	FY 2021/2022	FY 2020/2021	FY2019/2020	FY2018/2019
Employee costs	71,629,089	64,041,150	60,318,477	60,318,477
Board Expenses	24,921,206	22,566,404	13,882,670	13,882,670
Depreciation and amortization expense	21,995,843	20,243,986	11,348,934	11,348,934
Repairs and maintenance	3,867,594	3,079,214	2,116,826	2,116,826
Contracted Services	1,923,540	1,739,215	9,317,571	0
Use of Goods and Services	21,494,485	19,758,541	15,335,120	126,847,845
General Expenses	192,425,293	216,786,279	101,372,205	0

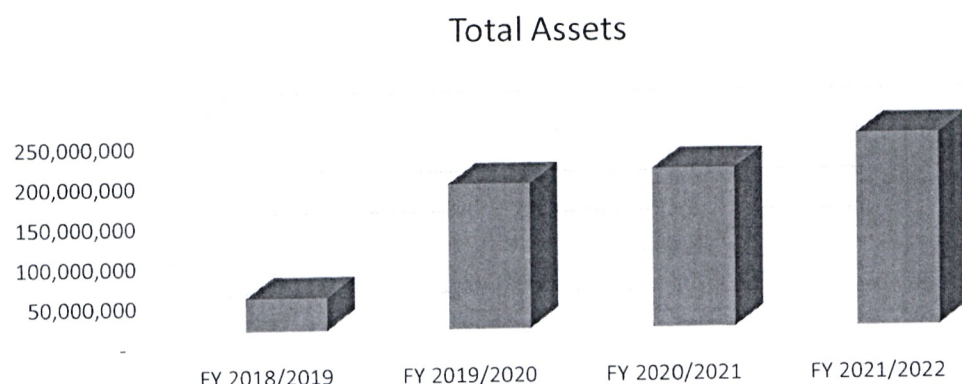
Graphically, the expenses can be expressed as shown below;



As a result of increased funding from the exchequer, the total assets have grown as shown below:

	FY 2018/2019	FY 2019/2020	FY 2020/2021	FY 2021/2022
Total Assets	40,939,706	180,726,968	197,612,166	239,915,695

Graphically, the total assets can be expressed as shown below



None Financial Performance

In line with this mandate, KFC has created programs aimed at supporting the industry in attaining the 40% local content quota required by regulation as per the Kenya Information and Communication Act 2013, and continued to market Kenya as a global hub for film production. This involves working with film professionals, Film Commissions around the globe, Government agencies, private organizations, professional bodies and associations in the film industry.

In the recent years, the Commission has noticed unprecedented growth in film and television production. The scale and nature of this growth presents a major opportunity for Kenya and the region to service demand by investing in production capability and capacity.

The Kenya Film Commission as a key enabler towards the achievement of the Big four agenda, undertook various programmes towards the development and promotion of a vibrant film industry globally as well as marketing Kenya as a filming destination.

To facilitate growth of the film industry, the Commission supported participation of 10 filmmakers whose films were nominated in international film festivals including Zanzibar International Film Festival in Tanzania, Cannes International Pan African Film Festival in France, The 2021 AICI Cineposium, Sotigui Awards in Burkina Faso, and Rustenburg Film Festival in South Africa. The Commission was able to show its commitment towards the growth of the local film industry globally. Nomination of Kenyan films in international films shows that the local film industry has improved in production of quality films that compete internationally, thanks to the Commission's programmes that has continued to enhance the skills and capacity of the local films to enable them to produce competitive productions.

The Commission has a strategic objective to provide relevant, current and timely information on the film industry to spur growth and enhance strategic decision making. To achieve this objective, the Commission collaborated with the Kenya National Bureau of statistics to create a film industry satellite account (FISA) that will establish the economic contribution of the Kenyan film industry to the GDP. The overarching objective of the study is to quantify the revenue generated through local film and filming activities.

The Kalasha International Film and TV awards is integral to the establishment and growth of the Kenya film industry. By recognizing our own level of excellence and the achievements of our film practitioners, we set benchmarks for future film-makers and encourage the expansion of the industry. The 11th edition of Kalasha International Film and TV awards took place on 10th December 2022 where 31 winners were recognized.

During the period under review, the Commission embarked on nurturing local talent and promoting the local film industry. The Commission held capacity development programmes and trained over 500 filmmakers in Distribution & Marketing, Production, Scriptwriting, Cinematography, Intellectual Property Rights, Financing, Animation, Transcription, Dubbing and Subtitling. The Commission utilized the film hubs in Nyeri and Bomet county in some of the workshops to facilitate its functions of content and capacity development, and promotion of local films at grass root level.

The Commission is officially recognized by the Academy of Motion Pictures Arts and Sciences (The Oscars) to set up an OSCARS Selection Committee from Industry Associations and Guilds to make submissions for the Best International Feature Film Category Award on behalf of the Kenyan film industry. The Feature Film “Mission to Rescue” as selected by the Kenya Oscars selection committee was submitted for the 94th Academy Awards (Oscars) as the official Kenya Selection for the Best International Feature Film Category.

The Commission promotes equitable growth and development of Kenyan film industry. The Commission’s bursary and scholarship programme is aimed at building capacity of talented needy students interested in pursuing courses in the film industry. The Commission during the year under review supported 7 needy students from disadvantaged backgrounds to pursue training in the cinematic arts at the Kenya Film School.

The Commission launched Kenya’s unique filming locations to a wider local and global audience. The objective of this event was to highlight the screen business among Kenyan filmmakers and attract more foreign investment through international films being shot on location in the country. As a result, a wide array of job opportunities will be created for film practitioners and sector service providers across the economy.

My County My Story festival aimed at growing the local film industry. The festival provides a platform for local filmmakers to come together and share knowledge and capacities by creating a space for joint action and engagement making a stronger impact on cultural, social and economic development of the cinema in the counties. This year, the Commission received 88 submissions

from 24 counties. Out of the 88 submissions, 7 films that met the submission requirements were selected and screened between 12th and 26th June 2022 in the four major cities including, Kisumu, Nairobi, Nakuru and Mombasa.

My Kenya My Story mobile phone film competition seeks to power the growth of the local film industry countrywide with the affordability of a smart phone over “high-end equipment” as well as widening the scope of film making. The Commission undertook the competition themed “Disaster Prevention and Mitigation in Kenya”. The competition that received 116 submissions saw 4 winners being awarded for exemplary work as follows; Winner-Ksh 200,000.00, 1st Runners up- Ksh 150,000.00, 2nd Runners up- Ksh 100,000.00 and one Jury mention- Ksh 50,000.00.

The Commission remained steadfast in delivering projects through Public-Private Partnerships. The Commission forged partnerships with various Government Institutions, Corporates, for the goodwill of the local film industry growth. Some of the partnerships that KFC forged included Canon, Kenya Film School, Star Times Kenya, Safaricom, Kwa Zulu Natal Film Commission, and Four points, Magnet Ventures, Jambo Jet, Heart the Band, St Paul University, Talanta Institute, Kenya National Bureau of statistics and Dedan Kimathi University of Technology among others.

A key component in developing a vibrant film industry globally is the establishment of a screen culture through a steady growth of an audience base. The Commission continues to promote a culture of Kenyans watching Kenyan content. During the year under review, the Commission organized activities that engaged audiences with Kenyan films including; 5 film premieres, 8 local film festivals supported and county film screenings in 5 counties. In addition, the Commission engaged the public through screening of local content selected during the My County My Story festival.

The Kenya Film Commission through the school outreach program establishes film clubs in schools. During the year, the Commission established film clubs in thirteen schools and registered 778 students. The Film clubs are a great opportunity for students to watch local films together and discuss them with other film lovers their age. This creates interest of watching local productions from an early age. Children aged between 14- 18 years spends a lot of time watching movies and they form the best target to create interest for watching local films, thus developing an audience for the local productions. The Commission awarded the best students’ performances with camera equipment during the Kenya Schools and Colleges Film Festival. The event brought together more than 100,000 students to watch over 350 films.

Major risks facing the commission

Summary of five top corporate risks as at 30th June 2022

No	Risks and likely contributory factors	Mitigation action
1.	Occupational health ☐ Inadequate occupational health and safety policy	☐ Continuous training on Occupational health and safety ☐ Automated systems to enable staff to work remotely
2.	Cyber Security and Information Security • Inadequate IT controls to manage and Secure information • Web, network and system attacks • Staff accessing harmful links and sites • Inadequate controls on the sites accessible to staff.	☐ Acquisition of genuine licenses ☐ Utilization of up-to-date software ☐ Regular scanning for vulnerabilities
3.	Reputational Risk ☐ Failure to comply with regulatory, legal, and policy obligations	☐ Continuously deepening relationships with stakeholders through various interactions and cooperation frameworks with state agencies ☐ Effective governance practices and clearly defined operational and reporting structures ☐ Continuous attendance of trainings by staff to keep abreast of new laws and important legislative changes relevant to the professional area
4.	Supply chain • Failure to comply with basic contract management processes • inadequate procurement planning	☐ Reference checking of suppliers during procurement processes ☐ Synchronization of procurement plans and budgets
5	Business Continuity Risk • Lack of an operational/ functional Disaster recovery Plan and Business Continuity Plan Inadequate succession planning • Inadequate emergency procedures	☐ Enhanced budgetary allocations for acquisition of IT software and hardware

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

i) Sustainability strategy and profile

There are a number of initiatives that need undertaking to improve the industry, inadequate resource base is a hindrance to successful implementation. It is therefore necessary for the Commission to seek alternative ways of obtaining resources to develop this industry. This will require the development of comprehensive resource mobilization and management strategy that identifies the potential resource partners, ways of engagement with them, potential projects for support, and methods of implementation, monitoring and reporting progress.

The Commission will further seek partnerships for joint industry programmes with relevant institutions and lobby for the partial redeployment of proceeds collected from the industry for further development of the Film and TV industry. The creation of a Film Fund is also at the core of this Pillar within its Strategic Plan.

Diversity and environmental sustainability are a major consideration across all determining factors in making a choice for a filming destination. Diversity and environmental sustainability are central issues for the film sector. It should be noted that best practices in these areas are key considerations at all points of sectoral development, including formal legislation and informal approaches. Moreover, these are also issues that must be addressed through the design and delivery of a functional film industry structure.

Recognizing the economic and cultural benefits of attracting international production and developing a local industry, the Commission is making a range of interventions which seek to achieve these aims. There is considerable formal interventions including legislation, direct funding, and strategies that increase sectoral capacity and quality. Informal best practice demands intervention in processes and procedures that reduce friction for film-makers at any point across the production process.

On the other hand, policy, legislation, and strategy dictate that a well-designed policy is a cornerstone of development for a healthy film sector. This includes both sector-specific and non-sector-specific policy in areas where it affects jurisdictional productions. A key point is that legislation related to industry development is a major tool for sectoral development and is being closely informed by the needs of international and national productions to be effective.

Legislation and related guidelines are being clearly instituted without limitations or unrealistic expectations on the practitioner. Other critical areas of legislation is relevance to film projects i.e. taxation, company and employment law, visas and customs, Intellectual Property (IP) and related rights, and classification.

Another key area of focus is industry strategy. As with legislation, the film sector can intersect with wider strategy approaches in a number of ways. This includes a government's overarching industrial

strategy; in this case the BIG 4 Agenda, Vision 2030 and the recognition of the economic and strategic value of the film and the broader creative industries.

Product stewardship- outline efforts to safeguard consumer rights and interests

In order to safeguard consumer rights and interests, Kenya Film Commission has aligned its activities with the requirement of the Constitution of Kenya by ensuring its Stakeholders have the right to;

- a) Goods and services of reasonable quality;
- b) The information necessary for them to gain full benefit from goods and services;
- c) The protection of their health, safety, and economic interests; and
- d) Compensation for loss or injury arising from defects in goods or services.

ii) Environmental performance

The Commission recognizes the need to be mindful about the environment in which we operate. The need to develop an environmental policy to guide the organisation cannot be overemphasized. For this reason, efforts to manage biodiversity, waste management and efforts to reduce environmental impact of the organisation's activities are embedded in our programmes.

iii) Employee welfare

The principles of affirmative action, gender and persons living with disability and national values applies. The Commission observes gender mainstreaming, balance on appointment, promotion and ensures that a minimum of a third (1/3) are of either gender. Currently the Commission has 24 males and 20 female staff hence 1/3 gender ratio is attained. The Commission makes efforts in improving skills and managing careers, appraisal and reward systems.

This is achieved by having a career guideline and ensuring staff set targets which are later evaluated that forms basis of promotion and contract renewal for staff on contract. The Commission continuously improves staff skills by conducting training's and ensuring the registered members to the professional bodies are in good standing.



All Smiles for Commission staff at all white themed end year party

The overall goal of the Commission's Performance Management System (PMS) has been to measure employee performance and ultimately the achievement of intended results for the organization. The Commission therefore take into account individual performance and reward employees for their contribution in a fair and equitable manner. The Commission has an incentive scheme aimed at rewarding members of staff based on the value they are adding to the Commission in relation to their performance, approved experience and professional skills/competence. This framework therefore establishes a basis for rewarding exemplary performance and administering sanctions for poor performance, motivating employees to have positive attitude to work and to enhance productivity in the Commission.



KFC Yellow themed staff bonding session

The Commission has developed the rewards and sanctions policy which is awaiting Board approval for further implementation. The Commission recognizes and commits itself to the achievement of the highest standards of health and safety in the workplace, and the elimination or minimization of health and safety hazards and risks that may affect its employees. In this regard, the Commission implements policies and programmes that assure their protection from such hazards and disasters. The policies and programmes have been implemented and are in compliance with the provisions of Occupational Health and Safety Act, 2007 and other Labour Laws.

The Commission recognizes and commit itself to the achievement of the highest standards of health and safety in the workplace, and the elimination or minimization of health and safety hazards and risks that may affect its employees. By ensuring compliance with the provisions of Occupational Safety and Health Act, 2007 and other Labour Laws.

The Commission has a Safety Health Committee that is in place that periodically carries out risk assessment within the Commission's premises and identifies hazards, analyses the risks attached to them and initiates preventive measures. This follows with identification, evaluation and control of biological, chemical, physical, psychosocial and other factors in the work environment which may affect the safety and health of employed persons and the general work environment. The Committee is expected to conduct training and awareness creation on occupational safety and health in order to promote a safety and health culture in the work place.

The same Committee ensures systematic inspection and auditing of workplaces to promote best practices and ensure compliance with safety and health standards as set out in OSHA, 2007. The Human Resource together with the Committee ensures compensation to employees for work related injuries and diseases contracted in the course of their employment in accordance with the provisions of WIBA, 2007.

The Commission ensures that adequate fire detection alarm and fighting facilities are provided in the various stations and are maintained as advised by Fire marshals and Occupational Safety and Health committee members.



Fire Marshall Training for staff

In addition, the Commission has always put in place measures to ensure adequate security for all employees and equipment. Employees are issued with identification cards to facilitate their entry into their work station.

The Commission recognizes the impact of emerging pandemics e.g. HIV/AIDS, Covid-19 among others their impact in the workplace and their far-reaching effects on productivity. The Commission has therefore committed to developing a programme to mitigate the effects of any such pandemics by encouraging staff to be vaccinated and ensuring that they are observing Ministry of Health guidelines

In addition, the Commission has ensured that its staff have a medical cover and group life cover and is in the process of coming up with a mortgage and car loan and club membership guidelines that will motivate, attract and retain its staff.

iv) Market place practices-

The Commission put in place the following mechanisms in ensuring competitiveness and fairness:

a) Responsible competition practice.

The Commission has committed to adhere and align its functions to the laws and legislations governing competition in Kenya.

b) Responsible Supply chain and supplier relations

The role of the supply chain unit is to ensure that the Commission gets the best possible value for its money by obtaining goods, equipment and/or services of the right quality, quantity, at the right time, price and from the right source.

The department's functions are as stipulated in the Public Procurement and Asset Disposal Act 2015 and its attendant regulations. In implementing those functions, the department ensures compliance with the aforementioned legislative provisions and guidelines towards achieving their objectives which are to; maximize economy and efficiency, promote competition and ensure that competitors are treated fairly, promote integrity and fairness, increase transparency and accountability and increase public confidence in the procurement process.

To achieve the above objectives, the Commission appreciates the role of its suppliers in aiding actualization of its mandate. During the period under review, the Commission undertook the following;

- i) Ensured fair competition in its processes. The Commission's suppliers were treated fairly in process and providing prompt feedback;
- ii) Honoured its contractual obligations with suppliers;
- iii) Ensured that suppliers were promptly paid within stipulated timelines upon receipt of invoice;
- iv) Adopted a win/win approach with its suppliers focused towards value addition.

c) Responsible marketing and advertisement

The Kenya Film Commission commits itself to promoting the highest standard of marketing professional ethical norms and values for its stakeholders. As a Commission mandated to develop, promote and market Kenya's film industry, we recognize that we not only serve our organization but also act as a steward of society in creating, facilitating and executing our mandate that is part of contributing to the greater economy. In our marketing role, the Kenya Film Commission embraces the highest professional ethical norms and the ethical values implied by our responsibility toward our multiple stakeholders

As a government agency, we must:

1. Do no harm. This means consciously avoiding harmful actions or omissions by embodying high ethical standards and adhering to all applicable laws and regulations in the choices we make.
2. Foster trust in the marketing system. This means striving for good faith and fair dealing so as to contribute toward the efficacy of promoting and marketing Kenya as a filming destination as well as avoiding deception in our promotion strategy, marketing communication and delivery of all relevant services.

3. Embrace ethical values. This means building relationships and enhancing consumer confidence in the integrity of marketing by affirming the organization core values.

d) Product stewardship

In order to safeguard consumer rights and interests, Kenya Film Commission has aligned its activities with the requirement of the Constitution of Kenya by ensuring its Stakeholders have the right to;

- a) Goods and services of reasonable quality;
- b) The information necessary for them to gain full benefit from goods and services;
- c) The protection of their health, safety, and economic interests; and
- d) Compensation for loss or injury arising from defects in goods or services.

v) Corporate Social Responsibility / Community Engagements

Kenya Film Commission recognizes that the film industry, like other sectors of our economy, is accountable to its stakeholders, the society and planet in achieving a sustainable filming environment in Kenya. As a state corporation, we acknowledge our responsibility to the environment and the importance of co-existence with the local communities. Our commitment to our stakeholders and improving quality of lives of communities surrounding our installations is central to our corporate identity. We always endeavour to have a positive impact on society through improving lives of individuals, groups and communities while at the same time enhancing our corporate image and brand.

For us, reaching out to communities in Counties by actively contributing to their socio-economic development constitutes to our core agenda. The CSR programme is alive to this fact and over the years, we have supported weaker sections of society by increasing their capacities and potentials.

We recognize that Corporate Social Responsibility issues are of increasing importance to our stakeholders and are fundamental to the continued success of the Commission. Thus, we have a CSR policy that will ensure we operate our business in a responsible manner at all times for the benefit of our stakeholders, staff, suppliers and the wider community.

We exercise CSR by partnering with and investing in communities to find sustainable solutions. We also encourage our employees to take part in CSR activities aimed at improving the standards of living and involvement of the communities that they come from. We, at all times, aim at embracing responsibility for our corporate actions and to encourage a positive impact on the environment and the stakeholders at large. The stakeholder groups include but are not limited to: our customers, filmmakers, government, media, employees, investors and existing communities. The Commission actively encourages our staff to recognize these responsibilities and individually behave in a responsible manner towards the larger environment in which we operate.

The Commission conducted a tree planting exercise at Olympic Secondary School in support of afforestation efforts by the Kenyan Government and in line with the Presidential Directives and National Strategy in achieving and maintaining over 10% tree cover by 2022. The commission support was through purchase of 1,000 seedlings.



Tree planting CSR activity at Olympic School - Kibera

In the process of filming, we encourage stakeholders to carry out their work by acknowledging the positive contribution to a cleaner and safer filming industry and to improve by introducing new operational measures that minimize the negative impact of society.

We also strive to re-use and recycle where possible and dispose off non- recyclable items responsibly, thereby minimizing negative impact of waste on the environment; we encourage our staff to plant trees in our various identified locations with view to conserving the environments.

10. REPORT OF THE DIRECTORS

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

i) Principal activities

The principal activities of the Commission are as captured in page ii under the Principal Activities section above

ii) Results

The results of the Commission for the year ended June 30, 2022, are set out on page 1-6.

iii) Directors

The members of the Board of Directors who served during the year are shown on page vi. During the year the board Chairperson retired and is yet to be replaced by the end of the financial year.

iv) Surplus remission

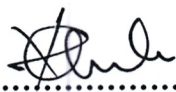
In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per cent of its surplus funds reported in the audited financial statements after the end of each financial year.

KFC did not remit any money to the consolidated fund. The un-utilized funds by the close of the FY 2021/22 was rolled over to the FY 2022/23.

v) Auditors

The Auditor General is responsible for the statutory audit of Kenya Film Commission in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the period ended June 30, 2022.

By Order of the Board



.....
Name: Audrey Mary Cheruto
Corporate Secretary

11. STATEMENT OF DIRECTORS RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act) require the Board of Directors to prepare financial statements in respect of KFC, which give a true and fair view of the state of affairs of the Commission at the end of the financial year/period and the operating results of the Commission for that year/period. The Directors are also required to ensure that the Commission keeps proper accounting records which disclose with reasonable accuracy the financial position. The Directors are also responsible for safeguarding the assets of the Commission. The Directors are responsible for the preparation and presentation of the Commission's financial statements which give a true and fair view of the state of affairs of the Commission for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes:

- i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- ii) Maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Commission;
- 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 Commission;
- v) Selecting and applying appropriate accounting policies; and vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Commission's financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Commission's financial statements give a true and fair view of the state of KFC's transactions during the financial year ended June 30, 2022, and of the Commission's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Commission, which have been relied upon in the preparation of the Commission's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

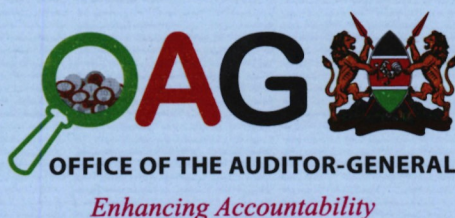
The Kenya Film Commission financial statements were approved by the Board on September 29, 2022 and signed on its behalf by:

.....
Name:
Chairperson of the Board.


.....
Name: Timothy Owase
Accounting Officer.

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KENYA FILM COMMISSION FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kenya Film Commission set out on pages 1 to 42, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies

and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of matter described in the Basis for Qualified Opinion Section of my report, the financial statements present fairly, in all material respects, the financial position of Kenya Film Commission as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Expenditure

The statement of financial performance reflects general expenses totalling to Kshs.192,425,293 as disclosed in Note 15 to the financial statements. The expenditure includes an amount of Kshs.11,932,958 on various expenditure items that were not adequately supported with requisite documents such as ETR cash receipts, motor vehicle work tickets, signed attendance register, invitation letters, request for quotations and counter receipt vouchers.

In the circumstances, the propriety and completeness of the expenditure of Kshs.11,932,958 could not be confirmed.

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

Key Audit Matters

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

Other Matter

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.327,324,380 and Kshs.327,406,265 resulting to an excess revenue of Kshs.81,885. Further, the Commission spent Kshs.346,003,915 against an approved budget of Kshs.383,134,619, resulting in an under-expenditure of Kshs.37,130,704 or (10%) of the budget.

In the circumstances, the under-expenditure implies that some of the planned activities were not implemented which could impact negatively on the overall Commission's goals and objectives.

2. Unresolved Prior Year Matters

As disclosed under follow-up on auditor's recommendations on prior year audit issues, various prior year audit issues remained unresolved as at 30 June, 2022. Management has not provided reasons for the delay in resolving the prior year audit issues.

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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in 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

Unbalanced Budget

The statement of comparison of budget and actual amounts reflects budgeted revenue and expenditure of Kshs.327,324,380 and Kshs.383,134,619 respectively resulting to unbalanced budget by Kshs.55,810,239. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget shall be balanced.

In the circumstances, Management was in breach of the Public Finance Management Act, 2012.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the Commission's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Commission to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Commission to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 May, 2023

13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
GoK Grants- Revenue	6	312,000,000	287,960,000
Public contributions and donations	7	324,380	28,837,400
		312,324,380	316,797,400
Revenue from exchange transactions			
Other income	8	81,885	519,800
Total revenue		312,406,265	317,317,200
Expenses			
Employee costs	9	71,629,089	64,015,127
Board Expenses	10	24,921,206	22,566,404
Depreciation and amortization expense	11	21,995,843	20,243,986
Repairs and maintenance	12	3,867,594	3,079,214
Contracted Services	13	1,923,540	1,739,215
Use of Goods and Services	14	21,494,485	19,758,541
General Expenses	15	192,425,293	216,786,279
Total expenses		338,257,050	348,188,768
Surplus before tax		(25,850,785)	(30,871,568)
Taxation		-	-
Surplus/(deficit) for the period/year		(25,850,785)	(30,871,568)
Remission to National Treasury		-	-
Net Surplus for the year		(25,850,785)	(30,871,568)
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling Entity		-	-
		(25,850,785)	(30,871,568)

The notes set out on pages 11 to 49 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:


Accounting Officer

Name: Timothy Owase

Date: 13/4/23


Head of Finance

Name: Elias Cheptoo

ICPAK MNo:13172

Date: 13/4/2023

Chairman of the Board

Name :

Date:

14. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

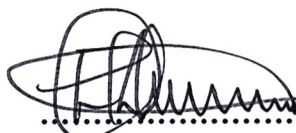
	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	16	165,063,084	106,709,205
Receivables from Exchange Transactions	17	795,117	755,833
Prepayments	18	3,768,916	1,931,982
Inventories	19	969,646	1,552,796
Total Current Assets		170,596,762	110,949,816
Non-Current Assets			
Property, Plant and Equipment	20	42,141,015	77,397,150
Intangible Assets	21	27,177,917	9,265,200
Total Non- Current Assets		69,318,933	86,662,350
Total Assets		239,915,695	197,612,166
Liabilities			
Current Liabilities			
Trade payables from exchange transactions	22	33,373,635	64,159,605
Other payables (Provisions)	22	6,577,200	870,000
Employee Benefit Obligation	22	11,696,721	10,384,671
Differed Income (GIZ)	23	76,921,034	-
Total Current Liabilities		128,568,590	75,414,276
Non-Current Liabilities			
Deferred Tax Liabilities		-	-
Total Non- Current Liabilities		-	-
Total Liabilities		128,568,591	75,414,276
Net Assets			
Accumulated surplus	24	49,760,838	105,172,019
Capital Reserve	25	61,586,267	17,025,871
Total Net Assets		111,347,105	122,197,890
Total Net Assets and Liabilities		239,915,695	197,612,166

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


.....

Name: Timothy Owase
Accounting Officer

Date: 13/4/23


.....

Name: Elias Cheptoo
Head of Finance
ICPAK MNQ: 13172

Date 13/4/2023

.....

Name:
Chairman of the Board

Date

Kenya Film Commission
Annual Report and Financial Statements
for the year ended June 30, 2022.

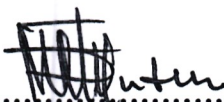
15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Surplus	Revaluation Reserve	Capital Fund	Deferred Income	Total
		Kshs	Kshs	Kshs	Kshs
As at 1 July 2021	105,172,019	-	17,025,871	-	122,197,890
Additions	-	-	15,000,000		15,000,000
Surplus for the period - Revenue	(25,850,785)	-	-	-	(25,850,785)
Prior Year Adjustment	(29,560,396)		29,560,396		-
Balance as at 30 June 2022	49,760,838	-	61,586,267	-	111,347,105
Balance as at 1 July 2020	133,758,902	-	9,525,871	-	143,284,773
Surplus for the period	(30,871,568)	-	-	-	(30,871,568)
Additions	-	-	7,500,000	-	7,500,000
Prior Year Adjustments	2,284,685	-	-	-	2,284,685
Balance as at 30 June 2021	105,172,019	-	17,025,871	-	122,197,890

16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
GoK Grant - Revenue		312,000,000	287,960,000
Public contributions and donations		324,380	28,837,400
Other income		81,885	519,800
Total receipts		312,406,265	317,317,200
Payments			
Compensation of employees		(66,350,395)	(61,218,237)
Use of Goods and services		(21,494,485)	(19,758,541)
Board Expenses		(24,921,206)	(22,566,404)
Repairs and Maintenance		(3,867,594)	(3,079,214)
Contracted Services		(1,923,540)	(1,739,215)
General Expenses		(222,762,578)	(190,931,511)
Total payments		(341,319,798)	(299,293,122)
Net cash flows from/(used in) operating	26	(28,913,533)	18,024,078
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(4,684,117)	(23,278,617)
Net cash flows from / (used in) investing activities		(4,684,117)	(23,278,617)
Cash flows from financing activities			
GOK Development Grants Received		15,000,000	7,500,000
Development Partners Grant (GIZ)		76,921,034	-
Net cash flows from financing Activities		91,921,034	7,500,000
Net increase/(decrease) in cash & Cash		58,323,384	2,245,461
Cash & Cash equivalents as at 1 July 2021		106,709,205	104,463,744
Cash & Cash equivalents as at 30 June		165,032,589	106,709,205

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



Name: Timothy Owase
Accounting Officer

Date: 13/4/23



Name: Elias Cheptoo
Head of Finance

ICPAK M/No: 13172
Date: 13/4/2023

.....
Name:
Chairman of the Board

Date:

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17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	%age of Utilisation
	2021/2022	2021/2022	2021/2022	2021/2022	2021/2022	-
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
GoK Grants- Recurrent	312,000,000		312,000,000	312,000,000	0	100%
Capitation Grants-	15,000,000	-	15,000,000	15,000,000	0	100%
Public Contributions &	-	324,380	324,380	324,380	0	100%
Other Incomes		0	0	81,885	(81,885)	-
Total income	327,000,000	324,380	327,324,380	327,406,265	(81,885)	100%
Expenses						
Employee costs	92,000,000	-	92,000,000	(66,350,395)	25,649,605	-72%
Board Expenses	23,700,000	-	23,700,000	(24,921,206)	(1,221,206)	-105%
Use of goods and Services	21,630,000	-	21,630,000	(21,494,485)	135,515	-99%
Repairs and Maintenance	3,675,698	-	3,675,698	(3,867,594)	(191,896)	-105%
General Expenses	224,330,089	-	224,330,089	(222,762,578)	1,567,511	-99%
Contracted Services	2,798,832	-	2,798,832	(1,923,540)	875,292	-69%
Capital Expenditure	15,000,000	-	15,000,000	(4,684,117)	10,315,883	-31%
Total Expenditure	383,134,619	0	383,134,619	(346,003,915)	37,130,704	-90%
Surplus for the Period	(56,134,619)	324,380	(55,810,239)	(18,597,650)	-	

Notes

- a. Reconciliation of the actual amounts in the statement of comparison of budget and actual amounts against the actuals as per the statement of financial performance

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	Amount (Kshs)
Deficit As per Statement of Comparison of budget and Actual Amounts	(18,597,650)
Employee cost (Gratuity Provision)	(5,278,694)
Depreciation and Amortization	(21,995,843)
Capital Expenditure-	4,684,117
General Expenses	30,337,284
Capital Grants	(15,000,000)
Deficit As per Statement of financial performance	(25,850,785)

- b. The deficit for the period between the final budget and actual expenditure amounting to Kshs. (55,810,239) relate to the amount of roll over from the FY 2020/2021 that was utilized during the FY 2021/2022
- c. The underutilization of Kshs.25,649,605 under Employee costs was as a result of the savings from the recruitment that had been budgeted from July 2021 while majority of the employees reported towards the financial year
- d. Depreciation and Amortization is a non cash item that had no budget hence non-inclusion of the figure of Kshs. (21,995,842)
- e. Contracted Services under-utilized by an amount of Kshs.875,292 due to the fact that Property and equipment insurance was not prepaid as had been the case in prior years
- f. Capital expenditure on ultra-modern Cinema Theatres was not done and the procurement process was ongoing at the close of the financial year after being none responsive in the initial tendering process. Also, Kshs, 7.5m was received towards the closure of the financial year

18. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Kenya Film Commission (KFC) is a State Corporation established under Legal Notice No. 147 of 2015 from which it derives its authority and accountability. The Commission is wholly owned by the Government of Kenya and is domiciled in Kenya.

The overriding goal of KFC is to make Kenya a centre of excellence in film production. This role involves creating an enabling environment for the development of a vibrant local film industry as well as marketing Kenya as a leading destination for foreign film makers. In line with this mandate, KFC is involved in creating programmes to support the industry to create local film content, as well as market Kenya as a centre of excellence in film production. This involves working with film professionals, Film Commissions around the globe, Government agencies, private organizations, professional bodies and associations in the film industry, and the general public.

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. 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 Commission'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 to the financial statements.

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of the commission's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <i>KFC does not deal in Financial Instruments and thus not affected by this standard. This is however noted and will be applied accordingly when need arises in future.</i>
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <i>KFC does not deal in social benefits and thus not affected by this standard. This is however noted and will be applied accordingly when need arises in future.</i>

Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <i>This is well noted and will be applied accordingly when need arises in future.</i>
Other improvements to IPSAS	Applicable 1st January 2023 □ <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). □ <i>IPSAS 39: Employee Benefits</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. □ IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <i>This is well noted and will be applied accordingly when need arises in future</i>
IPSAS 43	Applicable 1st January 2025 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. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. <i>This is well noted and will be applied accordingly when need arises in future</i>

Notes to the Financial Statements (Continued)

IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, 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: 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. <i>This is well noted and will be applied accordingly when need arises in future</i>
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iii. **Early adoption of standards**

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

4. Summary of Significant Accounting Policies**a) Revenue recognition****i) Revenue from non-exchange transactions****Fees, taxes and fines**

The Commission recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Commission and the fair value of the asset can be measured reliably.

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 Commission and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

Rendering of services

The Commission recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Notes to the Financial Statements (Continued)

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

Sale of goods

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

Interest income

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

ii) Revenue from exchange transactions

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Commission's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue. However, the Commission does not have rental income.

b) Budget information

The original budget for FY 2021-2022 was approved by the National Assembly. Subsequent revisions or additional appropriations made to the approved budget should be in accordance with specific approvals from the appropriate authorities (BOD). The additional appropriations are added to the original budget by the Commission upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Commission did not record the additional appropriations of Ksh. 76m from GIZ on the 2021-2022 budget since the necessary approvals were yet to be received by 30th June 2022.

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

Notes to the Financial Statements (Continued)

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 under section 17 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Commission operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Notes to the Financial Statements (Continued)

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 Commission and the same taxation authority.

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 an *over a 30-year period*. Investment properties are derecognized either when they have been disposed off 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.

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

Notes to the Financial Statements (Continued)

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.

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Commission. 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 Commission 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 Commission 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 Commission. 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.

h) Research and development costs

The Commission expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Commission 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

Notes to the Financial Statements (Continued)

- (iv) 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.

i) Financial instruments

a) Financial assets

Initial recognition and measurement

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity.

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

Impairment of financial assets

The Commission assesses at each reporting date whether there is objective evidence that a financial asset or commission of financial assets is impaired. A financial asset or a commission of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the

Notes to the Financial Statements (Continued)

estimated future cash flows of the financial asset or the Commission of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- i) The debtors or an Entity of debtors are experiencing significant financial difficulty.
- ii) Default or delinquency in interest or principal payments
- iii) The probability that debtors will enter bankruptcy or other financial reorganization.
- iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)

b) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Commission determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

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 Commission.

Notes to the Financial Statements (Continued)

k) Provisions

Provisions are recognized when the Commission 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 Commission 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) Contingent liabilities

The Commission 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.

The Commission has been sued by Alex Kathyindi Mulwa - at the Employment and Labour Relations Court seeking general damages for unfair termination, salary in lieu of notice, unpaid leave, house allowance, 12 months' salary compensation for unfair termination, costs and interest of the suit. This may result into indeterminate payments as the court may deem fit.

m) Contingent assets

The Commission 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 Commission 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.

n) Nature and purpose of reserves

The Commission creates and maintains reserves in terms of specific requirements. The Capital/

Development Grants/Fund Reserve Ksh. 31,914,771 relates to Kshs 9,525,871 being the capital funds that were given to the Commission at the time of inception in the financial year ending June 30, 2007 less the revaluation loss as at June 2020. Kshs. 22,388,900 relate to unutilized development fund.

o) Changes in accounting policies and estimates

The Commission 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

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

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 Commission 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 Commission or vice versa. Members of key management are regarded as related parties and comprise the Board of Directors, the CEO and Head of Directorates.

t) Service concession arrangements

The Commission analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Commission recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price.

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that

Notes to the Financial Statements (Continued)

an asset has been recognized, the Commission also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) Cash and cash equivalents

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

v) Comparative figures

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

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, 2022.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Commission 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 Commission. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the Commission.

Notes to the Financial Statements (Continued)

- 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.

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. The provisions made relates to audit fees and the film empowerment program for the unremitted instalments.

6. Transfers from Other Government entities

Description	2021-2022	2020-2021
	KShs	KShs
Unconditional Grants		
Recurrent Grants - Revenue	312,000,000	287,960,000
Total Unconditional Grants	312,000,000	287,960,000
Conditional Grants		
Other Organizational Grants	-	-
Total Government Grants and Subsidies	312,000,000	287,960,000

The funding has enabled the commission execute its mandate as per the establishing legal notice No.147

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

Name of The Entity Sending the Grant	Amount recognized to Statement of Financial performance KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund. KShs	Total transfers 2021-22 KShs	Prior year 2020-2021 KShs
Ministry of ICT	312,000,000	-	15,000,000	327,000,000	287,960,000
Total	312,000,000	-	15,000,000	327,000,000	287,960,000

All the amount recorded above as having been received from the Ministry of ICT is fully reconciled to the amount recorded by the Ministry. An acknowledgement receipt was issued in favour of the Ministry of ICT as per appendix III

7. Public Contributions and Donations

Description	2021-2022	2020-2021
	Kshs	Kshs
Israel Embassy/ CAK for Film empowerment	324,380	28,837,400
Israel Embassy	324,380	28,837,400
Reconciliation Of Public Contributions and Donations		
Balance Unspent at Beginning of The Year	-	-
Current Year Receipts	324,380	28,837,400
Conditions Met - Transferred to Revenue	324,380	28,837,400
Conditions To Be Met - Remain Liabilities	-	-

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The contribution from the Israeli Embassy was towards the Kalasha Film and TV awards while CAK contribution was for the Film empowerment programme. These funds have been fully absorbed.

8. Other Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Delegates fee at Kalasha Market*	81,885	519,800
Total other income	81,885	519,800

9. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	53,562,178	49,452,436
Employer contribution to pension schemes	1,013,847	987,722
Housing benefits and allowances	11,774,370	9,948,667
Gratuity	5,278,694	3,626,303
Employee costs	71,629,089	64,015,128

10. Board Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Chairman/Directors' Honoraria	879,400	1,044,000
Sitting Allowances	9,214,000	11,636,739
Medical Insurance	466,015	-
Induction and Training	5,931,185	-
Travel and Accommodation	8,112,049	-
Other Board Expenses	318,557	9,885,665
Total	24,921,206	22,566,404

11. Depreciation and Amortization

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, Plant and Equipment	10,348,164	16,273,186
Intangible Assets	11,647,679	3,970,800
Total Depreciation	21,995,843	20,243,986

12. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Equipment and Machinery/Office Repairs and Maintenance	373,939	195,142
Vehicles	1,236,454	2,020,396
Computers and Accessories/ ICT Annual Maintenance	2,257,201	863,676
Total Repairs and Maintenance	3,867,594	3,079,214

13. Contracted Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Property and equipment insurance	-	600,248
Contracted security services	600,000	600,000
Advertising	1,323,540	538,967
Total Contracted Services	1,923,540	1,739,215

14. Use of Goods and Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Internet Services	1,483,080	1,366,197
Telephone services	58,647	357,671
Electricity	1,114,104	1,126,962
Rent	18,838,654	16,907,711
Total use of goods and services	21,494,485	19,758,541

15. General Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Film research and development	22,704,415	5,863,987
Film incentive/guideline and policy	1,951,550	4,752,130
Advocacy	2,013,540	2,684,710
Public Affairs/Sponsorships	1,285,750	-
Audience development school outreach	2,745,325	891,986
Screen culture development	5,068,030	3,461,798
Kalasha International Film TV Awards/market	46,560,250	29,952,222
Film hub	2,900,115	-
Production & Liaison Services	253,640	-

Notes to the Financial Statements (Continued)

Description	2021-2022	2020-2021
Certification & Accreditation	945,775	-
Mobile film competition	2,983,785	2,226,625
My county my story	4,056,980	4,346,625
International festivals	2,724,441	285,000
Kalasha writer's hub/residency	5,738,938	5,263,945
Capacity development workshop	4,093,997	1,924,606
Training programme on transcription, dubbing	4,679,900	-
Scholarships& bursaries	560,000	-
Content acquisition	-	12,560,000
Film industry empowerment programme	981,119	52,141,925
E Film Shop	1,199,750	8,450,000
Corporate communication	4,335,860	1,527,208
Thematic Advertising Campaigns	3,154,800	6,606,867
branding	2,480,439	974,190
CSR and investors relations	2,825,290	1,617,130
Stakeholder engagement	1,901,605	807,334
Staff team building	3,793,535	2,062,140
Software annual licenses renewal	674,400	2,090,313
Group media cover	10,019,768	9,344,085
Staff training and development	8,045,363	4,480,010
Club membership	620,000	-
Cleaning service	656,659	412,803
Travelling and accommodation-local	20,045,253	21,734,963
Courier and postage services	138,004	227,196
General office supplies	2,189,701	1,061,342
Corporate entertainment	1,560,703	5,947,885
Staff welfare	6,440,074	4,098,210
Computer Software/Hardwares	580,940	-
Risk allowance	0	13,500
Fuel and lubricants	2,023,440	2,230,518
Audit fee	290,000	290,000
Publications, subscriptions and newspapers	168,310	122,480
Professional subscriptions	351,717	438,240
PC, strategic plan, ISO, M&E	6,195,927	758,568

Notes to the Financial Statements (Continued)

Description	2021-2022	2020-2021
Bank charges	375,105	375,337
Locations Mapping	111,100	13,502,785
Total General Expenses	192,425,293	216,786,279

16. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	165,032,589	106,709,205
Others (Cash-on-hand)	30,495	-
Total Cash and Cash Equivalents	165,063,084	106,709,205

16 (a) Detailed Analysis of the Cash and Cash Equivalents

		2021-2022	2020-2021
Financial Institution	Account number	Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1106760018	165,032,589	106,709,205
Sub- Total		165,032,589	106,709,205
b) On - Call Deposits			
		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
-	-	-	-
Sub- Total	-	-	-
d) Staff Car Loan/			
-	-	-	-
Sub- Total	-	-	-
e) Others			
Cash In Hand	-	30,495	-
Mobile Money Accounts/	-	-	-
Sub- Total	-	30,495	-
Grand Total	-	165,063,084	106,709,205

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	2021-2022	2020-2021
Description	Kshs	Kshs
Receivables		
Kalasha Market -Debtors	403,000	403,000
Salary Advances-Staff debtors	392,117	352,833
Total Current Receivables	795,117	755,833

18. Prepayment

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Deposit	1,931,982	1,931,982
KRA Advance Payment	1,836,934	-
Total	3,768,916	1,931,982

19. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable stores	969,646	1,552,796
Total inventories at the lower of cost and net realizable	969,646	1,552,796

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Notes to the Financial Statements (Continued)

20. Property, Plant and Equipment

	Plant and Equipment	Computers	Motor Vehicles	Furniture and Fittings	Capital Work in progress	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	12.50%	30%	25%	12.50%		
As At 1 July 2020	7,258,312	21,289,177	15,037,000	2,365,130.0	-	45,949,619
Additions	19,780,335	7,060,550	-	2,668,370		29,509,255
Disposals	-	-	-	-	-	-
As At 30th June 2021	27,038,647	28,349,727	15,037,000	5,033,500	-	75,458,874
Additions	-	2,808,000	290,257	1,585,860		4,684,117
Disposals	-	(132,000)	-	-	-	(132,000)
Transfer/Adjustments	-	-	-	-	-	-
As At 30th June 2022	27,038,647	31,025,727	15,327,257	6,619,360	-	80,010,991
Depreciation And Impairment						
At 1 July 2020	907,289	6,386,753	3,759,250	295,641	-	11,348,933
Depreciation	3,379,830	8,504,918	3,759,250	629,188	-	16,273,186
As At 30 June 2021	4,287,119	14,891,671	7,518,500	924,829	-	27,622,119
Disposals	-	(100,307)	0	-	-	(100,307)
Depreciation charge	2,843,941	4,840,217	1,952,189	711,816	-	10,348,164
As At 30th June 2022	7,131,060	19,631,581	9,470,689	1,636,645	-	37,869,976
Net Book Values						-
As At 30th June 2021	22,751,528	13,458,056	7,518,500	4,108,671	-	47,836,755
As At 30th June 2022	19,907,587	11,394,146	5,856,568	4,982,715	-	42,141,015

Notes to the Financial Statements (Continued)

21. Intangible Assets

(a) Soft wares

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
As at Begging of FY	13,236,000	13,236,000
Additions	-	-
As at End of FY	13,236,000	13,236,000
Amortization and impairment		
As at Begging of FY	3,970,800	-
Amortization Charge	2,779,560	3,970,800
As at End of FY	6,750,360	3,970,800
Net book values		
As at End of FY	6,485,640	9,265,200

(b) Development Expenditure-Location Mapping

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
As at Begging of FY	29,560,396	29,560,396
Additions	-	-
As at End of FY	29,560,396	29,560,396
Amortization and impairment		
As at Begging of FY	-	-
Amortization Charge	8,868,119	-
As at End of FY	8,868,119	-
Net book values		
As at End of FY	20,692,277	29,560,396

22. Trade and Other Payables

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	33,373,635	64,159,605
Provisions	6,577,200	870,000
Current benefit obligation	11,696,721	10,384,671
Total trade and other payables	51,647,556	75,414,275

23. Deferred Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Public Contributions and Donations	76,921,034	-
Total Deferred Income	76,921,034	-

These funds are from GIZ meant for film empowerment programme but awaiting the finalization of the grant agreement prior to implementation

The deferred income movement is as follows:

	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	76,921,034	-	76,921,034
Transfers To Capital Fund	-	76,921,034	-	76,921,034
Transfers To Income	-	-	-	-
Balance Carried Forward	-	76,921,034	-	76,921,034

24. Accumulated Surplus and Reserves

	2021-2022	2020-2021
	Kshs	Kshs
Accumulated Surplus	105,172,019	133,758,902
Surplus for the Year	(25,850,785)	(30,871,568)
Prior year Adjustments	(29,560,396)	2,284,685
Accumulated Surplus Balance Carried	49,760,838	105,172,019

25. Capital Funds

	2021-2022	2020-2021
	Kshs	Kshs
Capital Fund	17,025,871	9,525,871
Additions	15,000,000	7,500,000
Prior year Adjustments	29,560,396	
Total	61,586,267	17,025,871

26. Cash Generated from Operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus for the year before tax	(25,850,785)	(30,871,568)
Adjusted for:		
Depreciation	21,995,843	20,243,986
Audit Fees	290,000	290,000
Working capital adjustments:		
Increase in Receivables from exchange transactions	(39,283)	(562,657)
Increase in Prepayment	(1,836,934)	(8,640,974)
Decrease in Inventory	583,150	(216,788)
Increase in Employee Obligations	1,312,050	2,796,891
Decrease in payables	(30,785,969)	34,985,188
Increase in Other Payables	5,418,397	-
Net cash flows from operating activities	(28,913,533)	18,024,078

27. Financial Risk Management

The commission's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The commission's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The commission does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

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

i) Credit risk

The Commission 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 Commission's management based on prior experience and their assessment of the current economic environment.

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

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2022				

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	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
Receivables from exchange	795,117	392,117	403,000	-
Bank balances	165,063,084	165,063,084	-	-
Total	165,858,201	165,455,201	403,000	-
As at 30 June 2021				
Receivables from exchange	755,833	352,833	403,000	-
Bank balances	106,709,205	106,709,205	-	-
Total	107,465,038	107,062,038	403,000	-

Financial Risk Management

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

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

ii) Liquidity risk management

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

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2022				
Trade payables	33,373,635	-	-	33,373,635
Provisions	-	-	6,577,200	6,577,200
Deferred income	-	-	76,921,034	76,921,034
Employee benefit obligation	-	-	11,696,721	11,696,721
Total	33,373,636	-	95,194,955	128,568,590
As at 30 June 2021				

Trade payables	64,159,605	-	-	64,159,605
Provisions	-	-	870,000	870,000
Employee benefit obligation	-	-	10,384,671	10,384,671
Total	64,159,605	-	11,254,671	75,414,276

Financial Risk Management**iii) Market risk****Market risk**

The Board has put in place an internal audit function to assist it in assessing the risk faced by the commission 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 commission'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 Commission's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the commission's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Commission 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.

b) Interest rate risk

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

Management of interest rate risk

To manage the interest rate risk, management does not commit funds to bank for interest earning purpose.

Sensitivity analysis

The Commission is not exposed to interest rate risk due to fluctuations in interest rates on the bank balances that it holds in the current accounts for reasons stated above.

Fair value of financial assets and liabilities**Financial instruments measured at fair value.****Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Commission's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Commission considers relevant and observable market prices in its valuations where possible.

iv) Capital Risk Management

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

	2021-2022	2020-2021
	Kshs	Kshs
Retained Earnings/ Accumulated Surplus	49,760,838	105,172,019
Capital Reserve/ Fund	61,586,267	17,025,871
Total funds	111,347,105	122,197,890
Total Borrowings	-	-
Less: Cash and Bank Balances	(165,063,084)	(106,709,205)
Net Debt/ (Excess Cash and Cash Equivalents)	(53,715,979)	15,488,685
Gearing	(48.24%)	12.68%

28. Related Party Disclosures

Nature of related party relationships

The Commission's related parties are persons or entities with the ability to exert control individually or jointly, or to exercise significant influence over its operating and financial decisions. Related parties include key management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Kenya Film Commission equity interest. It stands to provide full guarantee to any long-term lenders of the Commission, both domestic and external. Other related parties include:

- i. The National Government
- ii. Ministry of ICT, Innovation and Youth Affairs
- iii. The Chief Executive Officer

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- iv. The Board of Directors
v. Key management

	2021-2022	2020-2021
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of goods	-	-
Sales of services	-	-
Total	-	-
b) Grants /transfers from the government		
Grants from national govt	327,000,000	295,460,000
Grants from county government	-	-

	2021-2022	2020-2021
	Kshs	Kshs
Donations in kind	-	-
Total	327,000,000	295,460,000
c) Expenses incurred on behalf of related party		
Payments of salaries and wages	-	-
Payments for goods and services	-	-
Total	-	-
d) Key management compensation		
Directors' emoluments	24,922,174	23,196,559
Compensation to key management	11,007,840	6,242,400
Total	35,930,014	29,438,959

27. Capital Commitments

There were no capital commitments as at the end of June 30, 2022.

28. Surplus Remission

KFC did not remit any money to the consolidated fund. The unutilized funds by the close of the FY 2021/2022 will be rolled over to the financial year 2022/2023.

29. Events after the Reporting Period

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

30. Ultimate And Holding Entity

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

31. Currency

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

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

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

Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1	Unexplained Prior Year Adjustment The statement of changes in net assets reflects a prior year adjustment balance of Kshs.2,284,685 which was not supported with any relevant journal vouchers or documents.	The supportive and the relevant journal vouchers will be provided.	Not resolved	By 30 th June 2023
2	Unsupported Expenditure on Film Marketing Events – Local and International			

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2.1	Kalasha International Film & TV Awards/ market The total sum given to Kalasha award winners was Kshs. 5,000,000 but the rationale for the amounts awarded to the winners of the various categories was not made available for audit review. The accuracy and completeness of the expenditure of Kshs.5,000,000 could not be confirmed.	The Kalasha awards event was held on 12th December 2020 at the Sarit Centre Nairobi. There were 31 categories with 31 winners i.e., a winner per category. From these 31 winners, 30 were paid Ksh. 100,000 each hence the total of Ksh. 3,000,000 as budgeted. The award winners in various categories are provided in the enclosed 10th edition Kalasha international Film and TV awards report (pg 11 & 12) 19th December 2020. In addition, this categories are a practice borrowed from the Oscars and other Film awards around the	Not resolved	By 30 th June 2023
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Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
		world. The Kalasha Market event was held on 5th to 7th May 2021 at the Sarit Centre, the Jury declared four winners in four categories of the Pitching competition. Each was paid Ksh. 500,000, hence total amount paid was Ksh. 2,000,000 as budgeted. The details of the winners are contained in the Pitching competition 2021 report (pg 13) dated 7th May 2021. (EVIDENCE 4.7 as earlier shared (b)		

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2.2	Expenditure on Film Industry Empowerment Programme The statement of financial performance shows expenditure totaling Kshs. 216,786,279 for general expenses, which includes Kshs. 52,141,925 spent on the Film Industry Empowerment Programme, as indicated in Note 15 to the financial statements. However, a review of the records indicated a figure of Kshs. 15,343,000 that was not supported by payment vouchers, invoices, procurement records, or local purchase orders. The accuracy and completeness of the expenditure of Kshs. 52,141,925 on the	The Commission established a film empowerment program to provide film and video related funding in the development (of feature films documentaries and TV Concepts), and production of feature films and documentaries and marketing and distribution. The aim was to increase the number of quality local films made in Kenya. The supporting documents for the same is provided as an annexure (EVIDENCE 4.8 (b)) - Blue box file as submitted earlier.	Not resolved	By 30 th June 2023
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Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	film industry empowerment programme could not be confirmed.			

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2.3	Expenditure on Capacity Development Programmes According to Note 15 of the financial statements, the Commission spent Kshs. 216,786,279 on general expenses, which included kshs. 12,560,000 on content acquisition. Out of this amount, a total of kshs 540,000 was paid to the nine (9) members of the Content Acquisition Committee, Appointment letters for eight (8) members, the attendance register and meeting minutes, or the rate of payment per member were not provided for audit review. Further, payments for content acquisition for four (4) production companies for acquisition of a series at Kshs.2,730,000 per series totalling Kshs.10,920,000 were not supported by any documents to show how the firms were selected, and the rates applied. The accuracy and completeness of the expenditure of Kshs.12,560,000 on the	The selection from industry was based on the nature of the tasks that were before the Committee, hence the focus on those with knowledge and expertise in distribution of film. The eight members appointment letters is hereby enclosed (EVIDENCE A). The minutes of the committee dated 14th August 2020 and a report dated October 2020 have been enclosed (EVIDENCE B). The basis for determining the payment rate of Kshs.60,000 is as per The Presidency, Ministry of devolution and Planning Circular dated 2nd August 2013 on payment of Taskforce allowance Ref No. MSPS.2/1A VOL.XLVIII/(119). Each member was paid Ksh. 4,000 per day for fourteen days in line with section (i) of the circular attached as an annexure (EVIDENCE 4.12 (a1) as earlier shared. And also in annexure (EVIDENCE 4.12 (b)) as earlier shared.	Not resolved	By 30 th June 2023
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Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
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	capacity development programmes for the year ended 30 June, 2021 could not be confirmed.			
-	Budgetary Control Performance The Commission spent Kshs. 322,571,739 against a Kshs. 400,917,020 approved budgets, resulting in an under expenditure of Kshs. 78,345,281 or 19% of the budget. There was no justification provided for the underperformance. The intended activities were hampered by the underperformance, which may have had a detrimental effect on how well the general public was served.	Management has noted and appreciates the recommendations. The Commission expended KSHs.377, 698,021 against an approved budget of KSHs 400,917,020 resulting to an under-expenditure of KSHs.23, 218,998 or 6% of the budget. This was occasioned by Covid 19 pandemic that resulted to restrictions in the country in line with ministry of Health guidelines hence low operations and low budgetary absorption	Not resolved	By 30 th June 2023
1	Non- Compliance with the One Third of Basic Salary Rule Contrary to section C.1(3) of the Public Service Commission (PSC) Human Resource Policies 2016, four employees earned net salaries totaling less than one-third (1/3) of the basic salary during the end of the financial year June 30, 2021.	During the Month of January 2021 Ms Pauline Muthoni was deducted 17, 960 as Hazina Loan and this was corrected in subsequent months as per attached payroll for the month of February 2021 and March 2021. APPENDIX IV) For Mr. Lawrence Wambura in the month of January 2021 , March 2021 and June 2021 the error	Not resolved	By 30 th June 2023

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Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	The Management has not provided an explanation for the Policy's noncompliance. In the circumstances, Management was in breach of the law.	was corrected as per attached payslips in the subsequent months (APPENDIX IV submitted earlier) Mr. Bernard Kibe did not comply with 1/3 rule but in the subsequent months the error was corrected as per attached payroll for the month of February and March 2021 (APPENDIX IV submitted earlier) Mr. Alex Mulwa did not comply with the 1/3 rule since the officer was exiting the Commission in the month of June 2021 as per attached letter and there was need to deduct the amount owed to the Commission. APPENDIX IV and V submitted earlier)		

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Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
2	Incomplete Fixed Assets Register A balance of Kshs. 77,397,150 was recorded for property, plant, and equipment as of June 30, 2021, according to Note 19(a+b) of the financial statements Contrary to Regulation 143 of the Public Finance Management (National Government) Regulations 2015, which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession, the fixed assets register provided did not contain the necessary information, such as location of the assets, description, type of asset, and serial numbers. For easier tracking and identification, the assets weren't marked. In the given situation, management broke the law.	Management notes the audit observations together with the recommendations provided thereof. Further, Management notes and confirms the following; - (i) That budgetary for barcoded asset tagging shall be provided for in the first quarter of financial year 2022/2023. (ii) That for ease of identification, management shall undertake temporary manual tagging for the assets and update the register by 14th March, 2022.	Not resolved	By 30 th June 2023

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3	Unbalanced Budget	Management has noted and appreciates the	Not resolved	By 30 th June 2023
Reference No.	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
	The Statement of comparison of budget and actual amount reflects final budgeted revenue balance of Kshs.324,817,200 and budgeted expenditure of Kshs.400,917,020 resulting into a budget deficit of Kshs.76,099,820 contrary Regulation 33 (e) of the Public Finance Management (National Government) Regulations, 2015 which provides that the total budget revenue shall cover the total budget expenditure. In the circumstances, Management was in breach of the law.	recommendations. The Commission operated a balance budget as per the signed budget for the FY 2021. Besides the amounts received from the exchequer and sponsors of Ksh. 324, 817,200, the commission had roll over from the FY 2019/20 as follows and as per the signed budget; Recurrent Ksh. 84,135,741 Development Ksh. 7,843,020 Stimulus Package 8,500,000 These funds had been accounted for in the FY 2019/20 statement of comparison of budget and actual amount effective resulting into what appears as “ a budget deficit” though purely for accounting purpose.		

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 Timothy Owase

Chief Executive Officer
 Kenya film commission

Date 13/4/23

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Appendix II: Projects implemented by KFC

Projects implemented by the KFC Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1	N/A	N/A	N/A	N/A	N/A	N/A

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Film Location Mapping	110M	60M	54.54	15M	15M	GoK

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Appendix IV: 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	
Ministry of ICT, Innovations and Youth Affairs			26,000,000	26,000,000		-	-	-	-
"	24-08-2021	Recurrent							
"	28-08-2021	Development	3,750,000	-	3,750,000	-	-	-	-
"	10-09-2021	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	29-09-2021	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	02-11-2021	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	26-11-2021	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	20-12-2021	Development	3,750,000	-	3,750,000	-	-	-	-
"	24-12-2021	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	03-02-2022	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	28-02-2022	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	31-03-2022	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	28-04-2022	Recurrent	26,000,000	26,000,000	-	-	-	-	-
"	21-06-2022	Development	7,500,000	-	7,500,000	-	-	-	-
"	03-06-2022	Recurrent	26,000,000	26,000,000	-	-	-	-	-
		Total	327,000,000	312,000,000	15,000,000	-	-	-	-

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Appendix V- Inter-Entity Confirmation Letter

Principal Secretary
 Ministry of ICT, Innovations and Youth Affairs
 State Department for Broadcasting and Telecommunications
NAIROBI

KFC wishes to confirm the amounts disbursed to us as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to us with the amounts you remitted and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by KFC as at 30th June 2022						
Reference Number	Date Disbursed	Amounts Disbursed by KFC (KShs) as at 30th June 2022			Amount Received by [beneficiary Entity] (KShs) as at 30 th June 2022 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	
	24-08-2021	26,000,000	-	-	26,000,000	-
	28-08-2021	-	3,750,000	-	3,750,000	-
	10-09-2021	26,000,000	-	-	26,000,000	-
	29-9-2021	26,000,000	-	-	26,000,000	-

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	02-11-2021	26,000,000		-	-	26,000,000	26,000,000	-
	26-11-2021	26,000,000		-	-	26,000,000	26,000,000	-
	20-12-2021	"	3,750,000			3,750,000	3,750,000	-
	24-12-2021	26,000,000		-	-	26,000,000	26,000,000	-
	03-02-2022	26,000,000		-	-	26,000,000	26,000,000	-
	28-02-2022	26,000,000		-	-	26,000,000	26,000,000	-
	31-03-2022	26,000,000		-	-	26,000,000	26,000,000	-
	28-04-2022	26,000,000		-	-	26,000,000	26,000,000	-
	03-06-2022	26,000,000		-	-	26,000,000	26,000,000	-
	21-06-2022		7,500,000			7,500,000	7,500,000	-
	24-06-2022	26,000,000		-	-	26,000,000	26,000,000	-
Total	-	-	15,000,000	327,000,000	327,000,000	327,000,000	327,000,000.00	-

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Appendix VI: Reporting of Climate Relevant Expenditures

Name of the Organization; **Kenya Film Commission**
Telephone Number; (254) 20 2714073/4, 0729407497/0733650068
Email Address; info@filmingkenya.com or ceo@filmingkenya.com
Name of CEO. **Mr. Timothy Owase**

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A