

REPUBLIC OF KENYA



REPORT

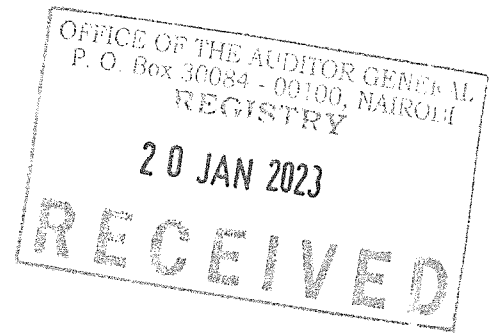
OF

THE AUDITOR-GENERAL

ON

**SPORTS, ARTS AND SOCIAL
DEVELOPMENT FUND**

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



SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE 2022

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
For the year ended June 30, 2022.

Table of Contents	Page
1. Key Entity Information and Management.....	ii
2. The Oversight Board of the Fund.....	vi
3. Management Team	viii
4. Chairperson Statement.....	x
5. Statement of Performance against Predetermined Objectives for FY 2021/22.....	xiii
6. Corporate Governance Statement.....	xvii
7. Management Discussion and Analysis	xx
8. Environmental and Sustainability Reporting.....	xxiii
9. Report of the Directors.....	xxviii
10. Statement of Directors Responsibilities	xxix
11. Report of the Independent Auditor for The Sports, Arts and Social Development Fund.....	xxxi
12. Statement of Financial Performance for the year ended 30 June 2022.....	32
14 Statement of Financial Position as at 30 June 2022	33
15 Statement of Changes in Net Assets for the year ended 30 June 2022	34
16. Statement of Cash Flows for the year ended 30 June 2022.....	35
17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2022.....	36
18. Notes to the Financial Statements	39
19. Appendices	66
Appendix 1: Implementation Status of Auditor-General's Recommendations.....	66
Appendix II: Projects implemented by Sports Arts and Social Development Fund.....	70
Appendix III: Status of Projects completion.....	71
Appendix IV: Transfers from Other Government Entities.....	72
Appendix V- Inter-Entity Confirmation Letter.....	73
Appendix VII: Disaster Expenditure Reporting Template.....	75

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements for the year ended June 30, 2022.

1. Key Entity Information and Management

(a) Background information

The Sports, Arts and Social Development Fund (SASDF) is established under Legal Notice No. 194, the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018. The mandate of SASDF is to provide funding to support the development and promotion of sports, arts, and the promotion of social development including universal health care.

The main source of funds for SASDF is proceeds from betting and lotteries provided for under section 69(A) of the Betting, Lotteries and Gaming Act. Other sources include taxes levied under section 35 (5A) of the Income Tax Act and section 36 (5) of the Excise Duty Act, 2015, grants and donations and such other monies as may be appropriated by the National Assembly.

The Fund is located at Flamingo Towers, 7th Floor, Upper hill, Mara Road, Nairobi. It comprises of three main directorates namely: Programs and Linkages Directorate, Research, Planning and M&E Directorate and Corporate Services Directorate.

(b) Principal Activities

The mandate and function of the Fund as outlined in the PFM (Sports, Arts and Social Development Fund) Regulations 2018 is:

- i) Promote social development including universal health care;
- ii) Finance the development of sports and recreation facilities including stadia, gymnasiums, buildings, tracks;
- iii) Enhance support and access to funding for sportspersons and sports organizations to enable their participation in sporting events and competitions;
- iv) Facilitate acquisition and provision of equipment to sports and recreation facilities;
- v) Support for the identification, nurturing and development of talent in sports and arts;
- vi) Facilitate training and capacity building programmes for persons involved in sports and recreation, creative arts, artistic production, contemporary and cultural practitioners;
- vii) Facilitate the identification, development and capacity building of technical personnel and sports support personnel involved in sports and recreation;
- viii) Support for the promotion and development of artistic production of contemporary or cultural goods and services;
- ix) Facilitate the marketing and promotion of artistic productions and contemporary or cultural goods and services;

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

- x) Support linkages with domestic, regional and international markets for sports, artistic productions and contemporary or cultural goods and services;
- xi) Facilitate for exhibition and promotion of contemporary or cultural artistic production of goods and services for national identity and pride;
- xii) Finance the acquisition, development and preservation of, among others, heritage sites, cultural centres, national monuments, tangible and intangible heritage and culture and heritage equipment and tools; and
- xiii) Facilitate innovation, research and documentation in arts, culture and the creative industry, sports and social development.

Vision

A sustainable funding agency in transforming sports, arts, culture and social development.

Mission

To support sports, arts, culture and social development through effective and efficient funding.

Core Values

- i. Integrity;
- ii. Transparency & Accountability;
- iii. Impartiality;
- iv. Customer Focus;
- v. Innovation.

(c) Key Management

The Sports, Arts and Social Development Fund day-to-day management is under the following key organs:

- Fund Oversight Board
- Fund Administrator
- Fund Secretariat

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

(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.	Fund Administrator	Mr. Joe Okudo, CBS
2.	Ag. Chief Executive Officer	Mr. Mark Wambugu
3.	Director Planning, Research, Monitoring and Evaluation	Mr. Hassan Boru
4.	Ag. Director Programs and Linkages/ Manager, Finance & Accounts	Dr. Job Aiyabei
5.	Ag. Director Corporate Services	Ms. Doreen Diki

(e) Fiduciary Oversight Arrangements

- i) All disbursements from the Fund are approved and recorded in minutes of the Oversight Board.
- ii) All disbursements from the Fund are to support the objects and purpose of the Fund.
- iii) Transfers to defray the expenses in respect of the administration of the Fund are approved by the Oversight Board for the respective financial year.
- iv) The Oversight Board has set out other conditions and requirements for release of funds, to ensure efficient and effective management of resources.

(f) The Sports, Arts and Social Development Fund Headquarters

P.O. Box 4644-00200
Flamingo Towers, 7th Floor
Upper Hill, Mara Road
NAIROBI, KENYA

(g) SASDF Contacts

Tel: +254 0789110088, 0720110088

Tel: +254-0720110055

Website: www.sasdef.go.ke

E-mail: info@sasdef.go.ke

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

(h) SASDF Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA
2. Co-operative Bank
University Way
P.O Box 48231-00100
NAIROBI, KENYA

(i) Independent Auditors

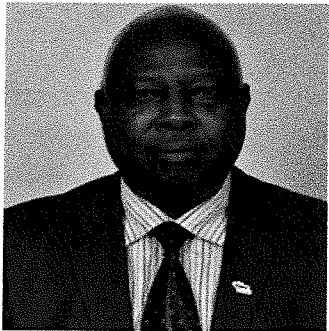
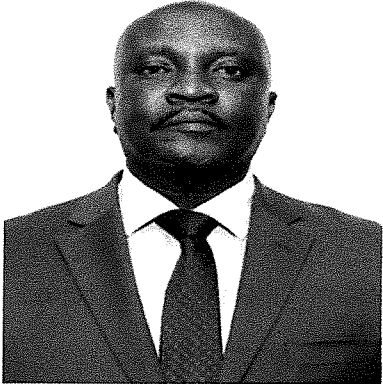
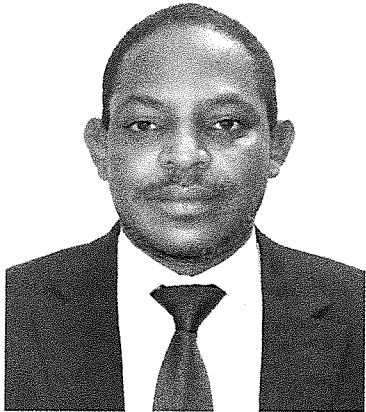
Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(j) Principal Legal Adviser




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

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.


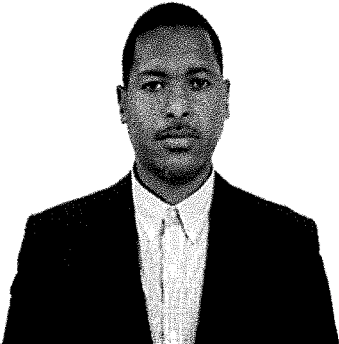

2. The Oversight Board of the Fund

Ref	Oversight Board Members	Details
1.	 <p>Lt. Gen (Rtd.) Jackson Tuwei, MGH, CBS, DCO Chairperson</p>	<p>Lt. Gen (Rtd.) Jackson Tuwei, MGH, CBS, DCO joined the Military as a cadet rising through the ranks in an illustrious career that saw him retire as Commander, Kenya Army. Lt. Gen (Rtd.) Tuwei, holds a Diploma from the Royal College of Defence Studies (UK) and has attended courses on Executive Development, Senior Management and International Defence Resources Management. Lt. Gen (Rtd.) Tuwei was the African Union Special envoy for the Lords Resistance issues and is currently the President of Athletics Kenya.</p>
2.	 <p>Mr. Joe R. Okudo, CBS Member and Fund Administrator</p>	<p>Mr. Joe R. Okudo, CBS is the Principal Secretary in charge of Sports at the Ministry of Sports and Heritage. He was the Principal Secretary in charge of the State Department for Tourism at the Ministry of Tourism and Wildlife. He was Team Leader of the Business Sector Support Programme and Co-Chair of the Private Sector Donor Co-Coordinating Group in Kenya. He also sat in the Programme Investment Committee (PIC), the highest decision-making organ within the Trade Mark East Africa group. He holds a Bachelor of Arts degree from the University of Nairobi and a Master's Degree in Business Administration (MBA) from Copenhagen Business School/Inoorero University.</p>
3.	 <p>Mr. Guyo Boru Member</p>	<p>Mr Guyo Boru is an alternate Board member to Permanent Secretary -National Treasury and Planning. He has a wealth of experience with career spanning over 16 years both in Corporate and public sector. Mr Boru is Head and Fund Administrator of Equalization Fund at the National Treasury and Planning. He also serves in the Board of Special Economic Zone Authority as an alternate member to Cabinet Secretary-National Treasury and Planning where also he is a member of Various Board Committees of the Board. He has Bachelor of Science (Hons), MBA-Finance from University of Nairobi, Master of Public Policy and Management from Strathmore University and CPA finalist.</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

4.	 <p>Ms. Susan N. Mochache, CBS Member</p>	<p>Ms. Susan Mochache, CBS is the Principal Secretary (PS), Ministry of Health. She has previously served in the same capacity in the State Department for Co-operatives, Ministry of Environment and Forestry and State Department for Social Protection.</p> <p>Ms. Mochache's career spans over 24 years at management level in both private and public sectors. She holds a Master's of Science degree in Communications Management from the University of Strathclyde in the United Kingdom and a Bachelor of Science in International Business from the United States International University. She is a Chevening Scholar and Fellow of Commonwealth Scholarship Commission (2012) and a certified Practitioner in Prince 2, Project Management and MSP Programme Management.</p>
5.	 <p>Ms. Josephtha O. Mukobe, CBS Member</p>	<p>Ms. Josephtha O. Mukobe, CBS is the Principal Secretary, State Department of Culture and Heritage.</p> <p>Ms. Mukobe holds a MSc. from Manchester University (UK) and a BA (Hons) Humanities and Social Science from the University of Nairobi. Ms. Josephtha Mukobe has a public service career spanning more than twenty-five years. She was previously The Principal Secretary in the State Department of Special Programmes in the Ministry of Devolution and Planning.</p>
6.	 <p>Dr. Julius Jwan, PhD, MBS, Member</p>	<p>Dr Julius Jwan is the Principal Secretary, State Department for Early Learning and Basic Education. Dr. Jwan holds a PhD in Educational Leadership & Management, Master of Science (MSc) Degree in Educational Research Methods (UK); Master of Philosophy (MPhil) Degree in Education Communication & Management (Norway); Master Degree in Linguistics and Bachelor of Education Degree (Moi University) - Kenya. He has attended several fellowships and short courses</p>

3. Management Team

	Management	Details
1.		<p>Mark Wambugu A.g Chief Executive Officer MBA(Finance) BBA (Finance & Accounts, CPA (K), CPS (K), ISO 9001:2008 Certified QMS Auditor</p>
2.		<p>Hassan Abdi Boru Director Planning, Research, Monitoring and Evaluation MA (Environment Planning & Management), BSc Wildlife Management and Conservation</p>
3.		<p>Doreen Diki A.g Director Corporate Services MBA HRM, BBA (HRM), CHRP(K), Higher Dip. HRM, KATC Finalist</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

4.		<p>Dr. Aiyabei Job AG. Director programs and linkages / Manager, Finance & Accounts PhD (Business Administration), MBA (Finance) BBA (Accounting and Finance), CPA(K)</p>
5.		<p>Naanyu Karbolo Manager, Corporate Communication MBA (Strategic Management), Bachelors of Arts (Sociology)</p>
6.		<p>Veronica Kanini Manager, Supply Chain Management Services Msc. Project Management, BBA (Purchasing & Supply Chain Management)</p>
7.		<p>Dr. Nzilu Musyoki Manager, Research and Planning PhD.(Business Management) MBA, B-Com (Marketing)</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

4. Chairperson Statement

On behalf of the oversight Board of the Fund, it's my pleasure to present the Fund annual report. I am delighted to report that the Fund performed well and am also honoured to be part of this dynamic and service oriented organization that facilitated the prosperity of the Sports, Arts and social development sector.

The oversight board continues to ensure that a robust governance structure is in place to enable the fund succeed and finance its long-term sustainable funding and growth of the sector. To this end, the oversight board safeguards the structured process of policy making and independence to support the successful execution of the SASDF mandate and strategy.

As envisioned in the Kenya Vision 2030 blue print and Big 4 agenda, SASDF is a significant contributor to the achievement of the national development agenda through funding sports infrastructure projects, facilitating nurturing of talents, capacity building of key industry stakeholders and undertaking research in sports, arts and culture. The Fund has been in the forefront in reviving of sports, the arts and improved access to universal healthcare in the country.

During the financial year under review, the Fund was able to provide funding for key priority projects and events in sports, culture and arts as follows: Tokyo 2020 Olympic and Paralympic games; hosting of 2021 Barthes Rugby U20 Trophy by Kenya Rugby Union, Africa Deaflympics Ball games Qualification 2021; World Athletics Continental Tour Gold series ; Acquisition of the Equipment for the National Youth Talent Development Programme in Music and Dance; Participation in the international festival DOUGGA 2022; the Launch of Johari Bracelet as a Social Commercial Enterprise; Funded Impactful Malaria Prevention & Intervention and Construction of and equipping of 8 hospitals namely; Eldas Sub County Hospital-Wajir, Keroka Level-4 Hospital Nyamira, Busia Level -5 Hospital Busia, Engineer Hospital-Nyandarua, Tumutumu Hospital-Nyeri, Githunguri Hospital- Kiambu, Dispensary Maternity & Sanitary Block Staff House and Fence- Samburu and Naro Moru Hospital-Nyeri among many other projects and programs.

The Fund continues to build on the outstanding successes mentioned herein and remains relentless in its efforts to provide the required resources to fund programs and projects in the sports, arts and social development including universal healthcare. The future outlook of the Fund remains positive and optimistic with increased revenue streams and funding for projects and programs.



Lt. Gen (Rtd.) Jackson Tuwei

CHAIRPERSON

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

5. Report of The Fund Administrator

The mandate of the Fund is to provide financial support for the development and promotion of Sports, Arts and Social development including universal health care. The Fund oversight board is tasked to utilize resources at its disposal to restore the country's sporting glory, promote the arts, preserve the rich national heritage and finance social development including universal health care.

Sports, Arts and cultural activities play a significant role in the Kenyan society by being a source of entertainment, unifying communities, providing a source of employment and income as well as business enterprises to the sports fraternity and hence key enablers of Vision 2030.

During the financial year 2021/2022, the Fund realized revenue of Kshs 13,454,888,486 against a projection of Kshs 15 billion. The shortfall in revenue collection was occasioned by the aftershock effects of Covid-19 Pandemic that affected businesses all over the world.

In the year under review, the Fund Oversight Board approved financial support amounting to Kshs 17,982,768,258 to fund various projects and programs being implemented in Sports, Arts and culture and Social Development including Universal Healthcare. The Oversight Board approved disbursement of Kshs 10,605,595,467 for the promotion of sports, Kshs 914,473,849 for promotion of arts and culture and Kshs 2,266,226,520 for Social Development including Universal Healthcare.

For the FY 2021/2022, the Fund boasts of its outstanding efforts in fulfilling its mandate of providing financial support to the three sectors. Under the sports sector, the Fund provided financial support to fund various programs including hosting of the 2021 Barthes U20 Trophy by the Kenya Rugby Union, hosting of Africa Deaflympics Ball games Qualification 2021 and hosting 13th Open African Masters Athletics Championships. The Fund also funded the Tokyo 2020 Olympic and Paralympic games and qualifiers; World Athletics Continental Tour Gold series 2022 and funded the Anti-Doping tests and education for Deaflympics Games & Commonwealth Games 2022 among others. In addition, the Fund has continuously and effectively provided financial support for the successful completion of various projects in the Sports sector including: completion and opening of Kinoru stadium, Jomo Kenyatta stadium, Kirigiti stadium and Jamhuri sports grounds, Completion of Kenya Academy of Sports Headquarters hostels building; through a Presidential Directive, the Fund acquired SASDF Plaza whose project works is ongoing and is scheduled to be completed in FY 2022/2023.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Under the Arts sector, the Fund provided financial support towards the National Museums of Kenya for the Construction of Njuri Ncheke Shrine in Meru County, Participation in the Biennale of Luanda 2021 Pan African Forum for the Culture of Peace, Acquisition of the Equipment for the National Youth Talent Development Programme in Music and Dance, Participation in the international festival DOUGGA 2022; the Launch of Johari Bracelet as a Social Commercial Enterprise and Creative Cultural industry Capacity building program among others.

Under the Social Development Sector, including Universal Health care; the Fund provided financial support towards Impactful Malaria Prevention & treatment program and Construction and equipping of eight hospitals namely; Eldas Sub County Hospital-Wajir, Keroka Level-4 Hospital Nyamira, Busia Level -5 Hospital Busia, Engineer Hospital-Nyandarua, Tumutumu Hospital-Nyeri, Githunguri Hospital- Kiambu, Dispensary Maternity & Sanitary Block Staff House and Fence- Samburu and Naro Moru Hospital-Nyeri.

In the year under review, the Fund developed its Strategic Plan 2021-2026 aligning it to the ever-dynamic business environment and implemented an Integrated Enterprise Resource Planning system and a Fund Management Core system to improve efficiency in work processes. Further, the Fund developed the Human Resource Instruments, Job Description Manual that resulted to Job Grading and new salary structures by the Salaries and Remuneration Commission.

The visionary leadership of the Oversight board and a qualified secretariat of the Fund are clear and sufficient indicators that the Fund will continue to achieve its mandate which plays an integral role in the achievement of the government's development agenda.



Mark Wambugu

Fund Administrator/ Ag. Chief Executive Officer

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

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

SASDF has 5 strategic pillars and objectives within the 2021 – 2026 strategic plan. These strategic pillars are as follows:

1. Fund Administration;
2. Resource Mobilization;
3. Legal and Regulatory Framework;
4. Research, Monitoring and Evaluation; and
5. Organisational Capacity.

SASDF developed its annual work plans based on the above five pillars. The strategic plan is linked to the vision 2030 and big 4 agenda. It is a guide to the operational and core functions for the next five years. The Fund achieved its performance targets set for the FY 2021/2022 as indicated in the diagram below:

Strategic Pillar/Theme	Objective	Key Performance Indicators	Activities	Achievements
Fund Administration	Promotion of Sports activities and events, development of sports infrastructure and nurturing of sports talent	No. of sports institutions, organizations and sports persons funded to enable participation in sporting events and competitions	Provision of funding to sports organisations to participate and host sports events	Successfully funded 166 sports programs to participate in various sporting events locally and internationally.
		No. of Sports and recreational facilities funded	Provision of financing to MDAs of Sports for development of sports stadiums and recreational facilities	Provided funds for construction of 17 sports facilities at various stages of completion.
		No. of programs funded to facilitate talent development, training and capacity building for technical personnel	i. Provision of funding for the development and nurturing of talent ii. Capacity building for	i. Facilitated preliminary activities relating to the establishment of the KAS constituency academies ii. Provided financial support for the completion of KAS Hostel block Phase 1 at Kasarani.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Strategic Pillar/Theme	Objective	Key Performance Indicators	Activities	Achievements
			various stakeholders	iii. Undertook training and capacity building for federation officials on access to financing from SASDF
	Promotion of social development including Universal Health	No. of programs funded to facilitate universal Health	Provision of funding for purchase of specialized equipment	Provided financial support towards Impactful Malaria Prevention and treatment program
		No. of health infrastructure funded	Provision of funding for construction of health facilities	Provided financial support towards construction and equipping of eight hospitals in the health sector namely: Eldas sub county hospital wajir, keroka level 4 hospital nyamira, Busia level 5 hospital, Engineer hospital Nyandarua, Tumutumu hospital Nyeri, githunguri hospital kiambu, dispensary maternity & sanitary block staff houses and fence in Samburu, Naromoru hospital Nyeri,
	Promote the creative arts industry	No. of programs funded to facilitate acquisition development and maintenance of cultural centres, cultural heritage sites, National monuments and arts	Provision of funding for preservation of cultural centres, heritage and monuments	Effectively funded twenty-one programs under culture including: 1. NMK for the Construction of Njuri Ncheke Cultural Shrine at the Njuri Ncheke National Monument site in Meru County. 2. Launch of Johari Bread Bracelet as a Social Commercial Enterprise. 3. Participation in the Biennale of Luanda 2021 Pan African Forum for the Culture of Peace

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Strategic Pillar/Theme	Objective	Key Performance Indicators	Activities	Achievements
				4. Acquisition of the Equipment for the National Youth Talent Development Programme in Music and Dance. 5. Kenya's participation in the international festival DOUGGA 2022. 6. Creative Cultural industry Capacity building program
Resource Mobilization;	To mobilise additional resources from other sources, such as county governments, development partners and the private sector, in order to supplement government financing.	Amounts of funds externally mobilized	Mobilise additional resources from other sources, such as county governments, development partners and the private sector, in order to supplement government financing	In the Financial Year under review, The Fund realized the following; 1. Interest income of Kshs 16,501,735 from placing funds in the call account as part of prudent financial management. 2. Donations from Kurume Chamber of Commerce (Tokyo Olympics) of Kshs 12,269,400. 3. Donations of Kshs 3,153,465 from the International Cricket Council.
Legal and Regulatory Framework	To ensure conducive legal and regulatory framework	Lobby for amendment of the gaming bill	Lobby relevant parliamentary committee on the gaming bill which affects SASDF revenue and existence.	Lobbied the parliamentary committee on sports, culture and tourism to amend the bill to fit SASDF interests.
Research, Monitoring and Evaluation	To support evidence based decision making	Strengthen monitoring, evaluation and reporting through quarterly reporting	Monitoring and evaluation of funded projects and programs to guide implementation of programs and projects	Four quarterly monitoring and evaluation field reports prepared.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Strategic Pillar/Theme	Objective	Key Performance Indicators	Activities	Achievements
			Capacity building of beneficiaries of funding to improve implementation, reporting and accounting for funds	Trained 56 officials from 28 federations and organizations on the legal framework about the Fund and the Sports industry, sensitization on the Legal and Regulatory Framework guiding their engagement with the government and standardized technical and financial reporting.
		Enhance information sharing	Share capacity training reports with stakeholders	Report shared with the stakeholders
Organizational capacity	<p>To enhance service delivery</p> <p>To ensure that Fund has an adequate, competent, motivated and productive workforce</p>	<p>No. of ICT Programs adopted</p> <p>No. of Staff retained</p> <p>No of staff trained</p>	<p>Reengineering of operational processes, adoption of emerging ICT systems, and enhanced communication and teamwork.</p> <p>Ensuring appropriate human resource instruments are in place</p> <p>Ensure staff are continuously trained to keep abreast with emerging trends.</p>	<p>The Fund implemented an Integrated Enterprise Resource Planning system and a Fund Management Core system to improve efficiency in work processes.</p> <p>The Fund developed the Human Resource Instruments, Job Description Manual that resulted to Job Grading and new salary structures by the Salaries and Remuneration Commission.</p> <p>All staff were trained during the financial year 2021/2022.</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

7. Corporate Governance Statement

The Sports, Arts and Social Development Fund (SASDF) was established by the Legal Notice No. 194 of the Public Finance Management (PFM) Act dated 25th October 2018.

Constitution of the Board

Part III of Legal Notice no. 194 States that there shall be a Board established to be known as the Sports, Arts and Social Development Oversight Board.

The Oversight Board Shall Consist of:

- (i) The Principal Secretary for the time being responsible for matters relating to finance
- (ii) the Principal Secretary for the time being responsible for matters relating to sports;
- (iii) the Principal Secretary for the time being responsible for matters relating to arts
- (iv) the Principal Secretary for the time being responsible for matters relating to health
- (v) the Principal Secretary for the time being responsible for matters relating to education;
- (vi) one person not being a public officer nominated by the Cabinet Secretary responsible for sports with competence in matters relation to sports;
- (vii) one person not being a public officer nominated by the Cabinet Secretary responsible for health with competence in matters relating to health; and
- (viii) one person not being a public officer nominated by the Cabinet Secretary with competence in matters relating to finance.
- (ix) The President shall appoint one of the members appointed under this regulation to be the Chairperson of the Board.

The Current Oversight Board with Eight (8) members is therefore properly constituted as provided above.

Functions of the Board

The Functions and roles of the Oversight Board as outline in the Legal Notice No. 194 is as follows:

- i. Provide overall oversight of the Fund;
- ii. Approve the ceilings for funding under sports, arts and social development in each financial year;
- iii. Develop policy guidelines relating to disbursements by the Fund;

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

- iv. prescribe other guidelines for the administration of the Fund;
- v. Review the estimates of annual revenue and expenditure of the Fund and recommend them to the Cabinet Secretary responsible for Sports for approval and submission to the Cabinet Secretary responsible for finance;
- vi. Review guidelines on the fund priorities and criteria for allocation and disbursement of funds to implementing agencies in furtherance of the objects of the Fund;
- vii. Monitor and evaluate the programmes and activities under the Fund;
- viii. Facilitate and develop sectoral linkages to the Fund;
- ix. Review the performance of the Fund and make recommendations on the operations of the Fund to the administrator of the Fund;
- x. Review and approve the financial statements of the Fund before submission to the Auditor General;
- xi. Review policy on the management of assets, equipment and all properties under the Fund;
- xii. Receive reports on the performance of the Fund; and
- xiii. Any other activity that in the opinion of the Board, will promote and facilitate the realization of the objects and purposes of the Fund.
- xiv. The Oversight Board shall prepare and submit a quarterly report to the Cabinet Secretary responsible for finance on the performance of the Fund with copies to the Cabinet Secretaries responsible for sports, arts, health and education.

Board Charter

The Oversight board is in the process of developing its board charter and manual.

Board Remuneration

Remuneration of the Oversight Board members is determined by the appointing authority in line with guidelines and recommendations of the Salaries and Remuneration Commission.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Oversight Board Meetings Attendance for the FY 2021/2022

In the financial year 2021/2022 the Oversight Board held fourteen meetings as tabulated below:

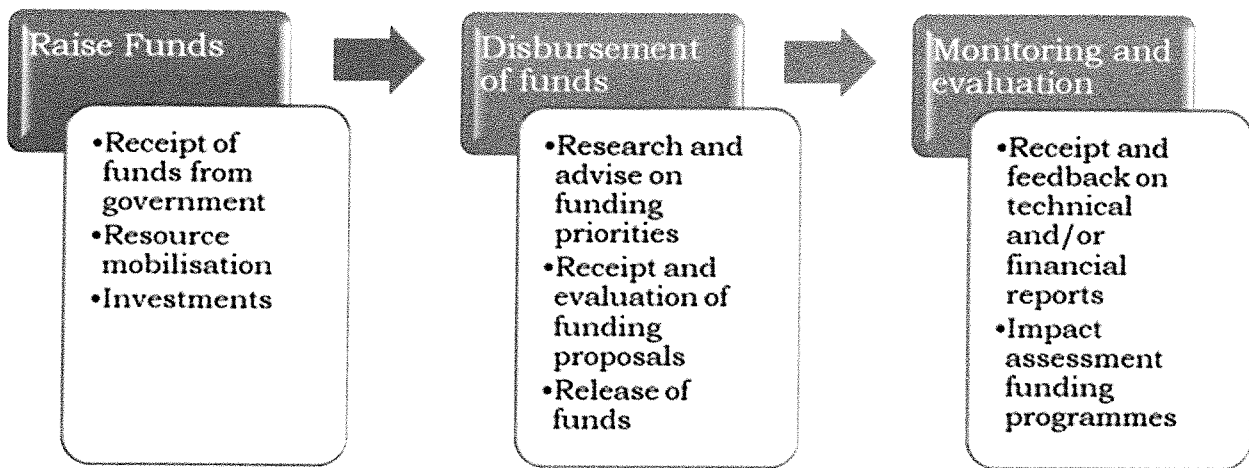
	Month	Nov.	Nov.	Nov.	Jan.	March	March	April	April	May	May	June	June
S/No	Date	9	10	23	7	16	23	6	20	18	25	7	14
1.	Lt. Gen (Rtd) Jackson Tuwei	x	X	x	x								
2.	H.E. Moody Aвори	x	X	x									
3.	Amb. (Dr.) Amina C. Mohamed, EGH, CAV							x	x	x	x	x	x
4.	Joe Okudo, CBS	x	X	x	x	X	x	x	x		x	x	x
5.	Dr. Julius Jwan, MBS		X		x	X	x	x					
6.	Ms. Susan Mochache, CBS				x	X	x						
7.	Ms. Josephtha Mukobe, CBS	x	X	x	x	X	x	x	x			x	x
8.	Guyo Boru	x	X	x	x	X	x		x	x	x	x	x

Section 8 (2) of the legal notice No 194, Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 provides the composition of our board out of which six are substantive oversight board members by virtue of the office they serve. The other board members are public officers nominated by the Cabinet secretary responsible for sports, one person being nominated by the Cabinet secretary responsible for health and one person being nominated by the Cabinet secretary responsible for matters relating to Finance.

8. Management Discussion and Analysis

1. Core Mandate

The Sports, Arts and Social Development Fund (SASDF) was established by the Legal Notice No. 194 Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018. The mandate of SASDF is to provide funding to support the development and promotion of sports, arts, and the promotion of social development including universal health care. SASDF value chain in the discharge of its functions can be summarized as depicted in Figure 1 below:



2. Revenue of the Fund

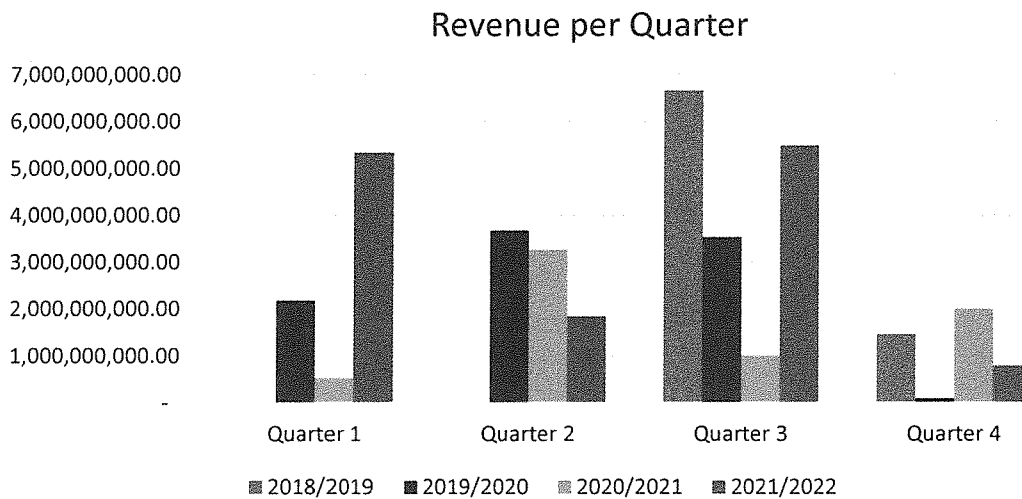
The Legal Notice No. 194 of the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 provide that the sources of funding for the Fund shall emanate from the collection as outlined under;

- a) Section 69(A) of the Betting, Lotteries and Gaming Act,
- b) Section 35(5A) of the Income Tax Act
- c) Section 36(5) of the Excise Duty Act, 2015
- d) Such other moneys as may be appropriated by the National assembly

During the financial year 2021/2022, the Fund realized revenue of Kshs 13,454,888,486 against a projected revenue of Kshs 15 billion. This collection was higher than the previous year however a shortfall as per the projections which was occasioned by the effects of Covid-19 Pandemic that affected businesses all over.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

The revenue trend for the financial year 2018/19, 2019/20, 2020/21 and 2021/22 is as shown in the graph below:



3. Fund Disbursements

In apportioning the proceeds of the Fund, the Oversight Board ensures that the following requirements as provided for in the Regulations are adhered to. These are;

- a) an amount not exceeding sixty percent be apportioned to social development including universal health care;
- b) an amount not exceeding thirty-five percent be apportioned to the promotion and development of sports;
- c) an amount not exceeding twenty percent be apportioned to the promotion and development of arts; and
- d) an amount not exceeding five percent be apportioned to government strategic interventions whose expenditure shall be subject to approval by Cabinet.

During the Financial Year 2021/2022, the Fund Oversight Board approved financial support amounting to **Kshs 17,982,768,258** to fund various projects and programs being implemented in Sports, Arts and culture and Social Development including Universal Healthcare. The Oversight Board approved disbursement of **Kshs 10,605,595,467** for the promotion of sports, **Kshs 914,473,849** for promotion of arts and culture and **Kshs 2,266,226,520** for Social Development including Universal Healthcare.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

As part of prudent financial management, the Fund placed some of its funds on call deposit account thereby generating a net income of Kshs 16.5 Million.

Further, the Fund received donations totalling to Kshs 15.4 million.

Monitoring and Evaluation

SASDF trained fifty (56) officials from twenty-eight (28) federations and sports organizations on the legal framework establishing the Fund and the Sports industry, regulatory framework guiding their engagement with the government and the standardized technical and financial reporting required of beneficiaries of funding.

Strategic Plan

In the year under review, the Fund developed its strategic plan for the Financial year 2021-2026. The strategic plan is linked to the Vision 2030 and the Big Four (4) agenda. It is a guide to the operational and core functions for the next five years. The Fund achieved its performance targets set for the FY 2021/2022.

Enterprise Resource Planning System

In the year under review, the Fund has been developing the Enterprise Resource Planning system that is expected to improve efficiency and effectiveness. The implementation of the same is expected to be completed in the FY 2022/2023.

SASDF Plaza

The Fund acquired SASDF Plaza in FY 2020/2021 which was a presidential directive. The project works is ongoing as scheduled and is projected to be completed in FY 2022/2023. The SASDF Plaza project will enhance sustainability and further add into the Appropriations In Aid of the Fund. The Plaza will provide appropriate working conditions and adequate working space that will increase attraction and retention of qualified personnel.

Statutory requirements

The Fund has complied with all statutory requirements including PAYE, Withholding VAT, NHIF, NITA, NSSF and Health and safety requirements.

Risks facing the Fund

The major risk facing the Fund is in its establishment. The Fund is established through the Public Finance Management (SASDF) Regulations 2018 and as such is not established under an Act of parliament.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Competence Management

During the year under review, the Fund carried out a training needs analysis (TNA). The Fund paid annual subscription fees to professional bodies and facilitated trainings, seminars and conferences for staff members.

9. Environmental and Sustainability Reporting

The Fund exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the SASDF's policies and activities that promote sustainability.

i) Sustainability strategy and profile

Sustainable development is about balancing needs of the present generation without compromising the needs of future generations. The key aspect is balancing business, social and environmental aspects of the organization. The Fund has been providing financial support to youth who are mainly the athletes representing the country in various sporting activities and also supporting cultural activities. Further, the Fund has acquired NOCK Plaza and is currently undertaking completion of the building which will house its parent Ministry with the extra space to be leased out.

ii) Environmental performance

We recognize environmental protection as one of the guiding principles and a key component of sound business performance. The Constitution of Kenya is quite coherent in the need to promote Environmental Management and Sustainability in Kenya. Its preamble commits the people of Kenya to be respectful of their environment as their heritage. Article 10 (2d) in particular identifies sustainability as one of the national values and principles of governance. Additionally, article 42 provides for the right to a healthy environment for all Kenyans.

Kenya's development blue print (Kenya Vision 2030) identifies several emerging challenges in environmental management and sustainability which include environmental degradation, forestry, food insecurity, water resources, pollution and waste management, climate change, bio-, integrated environmental planning, and unplanned human settlement among others. That is, environmental management and sustainability is, therefore, is a critical undertaking needed to help Kenyans realize the aspirations of our Constitution and the Vision 2030.

The key objectives of the environment and sustainability policy is to:

- i. Adhere to all applicable environmental regulations and other requirements that relate to our environmental aspects.
- ii. Implement and maintain a structured Environmental Management System based on the continual improvement of the environmental performance and regular review of the set environmental objectives, targets and programmes of all significant environmental aspects.
- iii. Adopt and implement environment-friendly strategies prevent pollution, reducing waste generation and minimizing the consumption of resources.

To promote a more ecologically sustainable environment the Fund has:

- i. Encouraged responsiveness to environmental management and sustainability challenges
- ii. Supported tree planting activities through the World Rally Championship as a legacy activity
- iii. The Fund has gone digital and implemented an ERP system that is paperless and helps to reduce wastages while enhancing efficiency.
- iv. The Fund is utilizing pooled transport in order to reduce emission of the greenhouse gas
- v. In line with the government directives on the COVID-19 protocols, the Fund has been regularly fumigating the offices and providing sanitizers for clean working
- vi. environment.
- vii. The Fund has been undertaking energy saving activities
- viii. The project works at SASDF plaza is being Implemented in accordance with the green energy guidelines to save on power and water

ii) Employee welfare

The Fund developed Human Resource Instruments whose results will inform the future Fund's strategic and operational direction. In an effort to ensure continuous personal development and coping with the technological changes, the Fund engaged its staff in identifying the Training Needs Analysis and thereafter supported various trainings for its staff. The Performance Contracting process in the public sector has been adopted and targets cascaded down to employee's which formed the basis for Performance Appraisals at the end of the Financial Year 2021/2022.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

A Job Description Manual for the Fund was also developed and approved by the Salaries and Remuneration Commission. The Job grading and approval of competitive salary structures by (SRC) will lead to attraction and retention of qualified personnel.

A Health and Safety committee was appointed to ensure strict adherence to health and safety rules at the work place.

The Fund has a staff welfare association (Sports, Arts and Social Development Fund staff welfare association) to take care of bereavement, weddings and new born gifts among other welfare needs.

iii) Market place practices

a) Responsible competition practice.

The Fund is committed in supporting the anti-corruption efforts of the Government by strengthening its corporate governance and inculcating good ethical business practices among its directors, employees, customers and stakeholders. The Fund complied with all relevant laws and upheld integrity in the delivery of its mandate and it will continue to establish a culture of openness, trust and integrity in its processes.

The Fund also engaged its stakeholders in a manner that fostered a sustainable relationship and maintained public trust and confidence. In engaging and partnering with other persons and institutions financing sports, arts and social development activities, the Fund upheld transparency, accountability and equity that sustained a consultative and collaborative relationship.

This has therefore ensured that the Fund has given equal opportunity and fair review to all financial requests from eligible institutions and organizations in terms of funding.

b) Responsible Supply chain and supplier relations

The Fund procures of goods and services through a competitive process as provided for by the relevant acts and regulations guiding procurement in Public entities which include the Public Procurement and Asset Disposal Act (2015) and the Public Procurement and Asset Disposal Regulation (2020). All payments to suppliers are processed and paid in time once in receipt of supporting documentation. In addition, all procurement undertaken is posted on the public procurement and information portal for transparency and competitiveness.

c) Responsible marketing and advertisement

The Fund has adhered to the synergized and coordinated marketing and advertisement approach as directed by the presidential delivery unit. All branding, advertisement and public communication has co-branded with vision 2030 and Big 4 agenda logos to ensure that the successes and achievements of the government are effectively communicated.

All funded programs and projects by the Fund and its partners are co-branded with the Fund Logo for visibility.

d) Product stewardship

The Fund is committed to safeguarding its clients' rights and interest through timely processing and disbursement of funding requests and maintaining the highest level of confidentiality on all documents received from beneficiary institutions and organizations.

Also by developing the fund service charter that displays services and products offered, all clients and stakeholders have access to this information and have a redress mechanism in case of complaints or feedback.

iv) Corporate Social Responsibility

Besides delivering its core mandate, the Fund has integrated Corporate Social Responsibility (CSR) initiatives into its operations to support improving the livelihoods of the beneficiary communities and impact society to be better.

The Fund approach towards CSR is focused on identifying and formulating projects guided by its CSR policy and in response to specific needs that CSR committee members assess as a priority. The committee consulted widely on best practices in order to make corporate social responsibility an integral part of its undertakings and implement projects that impact positively on society.

To this end, the Fund actively participated in several engagements with various stakeholders towards improving the quality of life and making the society a better place. For instance, in partnership with WRC- Kenya Safari Rally Greening Legacy Project, SASDF funded planting of trees to commemorate the 19 years that the Safari Rally was out of the World Rally Championship Circuit and the 2022 WRC safari rally edition held in Naivasha.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

The Fund shall remain committed as a responsible corporate citizen by prioritizing mitigation measures on the impact of its activities on the environment, communities, employees and stakeholders.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

10. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Sports, Arts and Social Development Fund affairs.

i) Principal activities

The principal mandate of the Sports, Arts and Social Development Fund is to provide funding to support the development and promotion of sports and arts and the promotion of social development including universal health care.

ii) Results

The results of the Fund for the year ended June 30, 2022, are set out on page 1

iii) Directors

The members of the Oversight Board who served during the year are as shown on page vi and viii. During the year under review, two members of the Oversight Board terms expired.

iv) Surplus remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The Fund did not have a surplus for the Financial year 2021/2022.

v) Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Oversight Board



.....
Mark Wambugu
Fund Administrator
18th January 2023

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

11. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and Regulation 3 of the Legal Notice No. 194 of the Public Finance Act dated 25th October 2018, require the Directors to prepare financial statements in respect of the Sports, Arts and Social Development Fund, which give a true and fair view of the state of affairs of the Fund at the end of the financial year/period and the operating results of the Fund for that year/period. The Directors are also required to ensure that the Fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the Fund. The Directors are also responsible for safeguarding the assets of the SASDF.

The Directors are responsible for the preparation and presentation of the SASDF's financial statements, which give a true and fair view of the state of affairs of the SASDF 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 SASDF; (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 SASDF; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the SASDF'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 Legal Notice No. 194 of the Public Finance Act (the Sports, Arts and Social Development Fund) Regulations 2018 dated 25th October 2018. The Directors are of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2022 and of the Fund's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

Approval of the Financial Statements

The Fund's financial statements were approved by the Oversight Board onand signed on its behalf by:



Lt. Gen (Rtd.) Jackson Tuwei

CHAIRPERSON

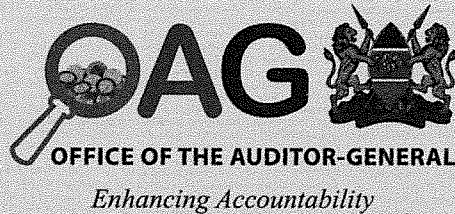


Mark Wambugu

FUND ADMINISTRATOR

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 SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND 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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Sports, Arts and Social Development Fund set out on pages 32 to 69, which comprise the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Sports, Arts and Social Development Fund 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, Sports Act, 2013 and the Public Finance Management (Sports, Arts and Social Development) Regulations, 2018.

Basis for Qualified Opinion

1. Inaccuracy in Cash and Cash equivalents

As disclosed in Note 29 to the financial statements, the statement of financial position reflects balance of Kshs.1,304,437,854 in respect to cash and cash equivalents as at 30 June, 2022. However, Management submitted financial statements to the Auditor-General on 14 November, 2022 in line with Public Finance Management Act, 2012 and as disclosed in Note 29 to the financial statements reflect balance of Kshs.1,372,417,954 in respect to cash and cash equivalents. A revised set of financial statements was submitted on 20 January, 2023 with a balance of Kshs.1,304,437,854 as disclosed in Note 29 resulting to a decreased balance of Kshs.67,980,100. The Management did not provide journal entries to support the decrease. Further, the seven (7) bank accounts balances in Note 29(a) to the financial statements were not supported by certificate of bank balances.

In the circumstances, the accuracy and completeness of the cash and cash equivalents of Kshs.1,304,437,854 as at 30 June, 2022 could not be confirmed

2. Unaccounted for Returns for Promotion and Development of Sports

The statement of financial performance and as disclosed in Note 23 to the financial statements reflect transfers to government implementing agencies and sports organizations amounting to Kshs.13,786,295,836 which includes an amount of Kshs.10,605,595,467 in respect of promotion and development of sports. However, returns worth Kshs.6,715,627,315 for sports promotion and development were received by the Fund, leaving an amount of Kshs.3,889,968,152 not accounted for by the respective Federations and Organizations.

Further, the Fund continued to disburse money to sports organizations who had not accounted for previous moneys contrary to the provisions of Section 15(5) of the Public Finance Management (Sports, Arts and Social Development) Regulations, 2018 which provides that a recipient who fails to comply with paragraph (2)(3) shall not be eligible for any subsequent disbursement until full compliance.

In the circumstances, the propriety, accuracy and completeness of an amount of Kshs.10,605,595,467 in respect of promotion and developments of sports could not be confirmed.

3. Irregular Payment of Board Sitting Allowance

As disclosed in Note 19 to the financial statements, the statement of financial performance reflects an amount of Kshs.4,774,000 in respect of remuneration to Oversight Board which includes an amount of Kshs.70,000 paid to a board member as sitting allowances for chairing Board meetings. However, the appointment of Chairperson was not conducted as required by Section 8(4) of the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 which states that the President shall appoint one of the members appointed under this regulation to be the chairperson of the Board.

In the circumstances, the propriety, accuracy and completeness of the board member sitting allowances of an amount of Kshs.70,000 could not be confirmed.

4. Understated Office Rental Costs

As disclosed in Note 17 to the financial statements, the statement of financial performance reflects general administrative expenses amounting to Kshs.120,733,096 which includes an amount of Kshs.12,408,702 in respect of office rental costs. However, review of the lease agreement revealed that lease was renewed on 22 October, 2021 and office rent adjusted upwards resulting to an increase of Kshs.508,148 which was not paid or disclosed in the financial statements.

In the circumstances, the propriety, accuracy and completeness of the office rental costs of an amount of Kshs.12,408,702 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Sports, Arts and Social Development Fund 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. I have determined that there were no key audit matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.15,257,440,000 and Kshs.13,744,770,386

respectively resulting to an under-funding of Kshs.1,512,669,614 or 10% of the budget. Similarly, the statement reflects final budget expenditure and actual on comparable basis of Kshs.14,168,139,564 and Kshs.13,980,042,979 resulting to under absorption of Kshs.188,096,585 or 1% of the budget.

The under funding and under absorption of the available funds affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit of the previous year, several issues were raised. Management indicated to have resolved prior year audit issues. However, supporting documents including invitations to appear before the Parliamentary Accounts Committee (PAC) and the Committee recommendations and implementation reports were not provided for audit review as required by the Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022.

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 matters 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

1. Late Submission of Financial Statements to the Auditor-General

The Fund's financial statements for the year ended 30 June, 2022 were submitted to the Office of the Auditor-General on 14 November, 2022, forty-three (43) day after the statutory deadline date of 30 September, 2022. This is contrary to provisions of Section 84(3) of the Public Finance Management Act, 2012 which states that, not later than three months after the end of each financial year, the administrator of a national public fund shall submit the financial statements prepared under this section to the Auditor -General.

In the circumstances, Management was in breach of the law.

2. Non-Compliance in Presentation of the Financial Statement.

Review of the financial statement for the year ended 30 June, 2022, revealed that the Management presented the financial statements which had roman page numbering for preamble information. However, the financial statements page numbering starts from page 32 leaving out pages of number 1 to 31. Similarly, the foot notes to the financial statements also revealed inconsistencies in page numbering.

In the circumstances, the financial statements did not comply with the financial reporting guidelines issued by the Public Sector Accounting Standards Board.

3. Irregular Disbursements to World Under 20 Championship

The Fund disbursed amounts totaling to Kshs.1,361,000,000 to World Under 20 Championship Committee in the financial years 2019/2020 and 2020/2021 financial years to facilitate the preparation and hosting of the World Under 20 Championship Competition in Nairobi, Kenya which happened during 2021/2022 financial year. The event had its own Organizing Committee which was gazetted vide Gazette Notice No 1911 of 1 March, 2019. However, review of the procurement documents revealed that procurement of goods, works and services were conducted through restricted tender method. No explanation was provided to justify the choice of the restricted procurement method as required by Section 102(1) of the Public Procurement and Assets Disposal Act, 2015 stating that an Accounting Officer of a procuring entity may use restricted tendering if any of the conditions (a-d) are satisfied.

In the circumstances, Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Weak Corporate Governance Structure

Review of the corporate governance system at the Fund revealed that the Board Members and Chairperson of the Fund were appointed by the Head of Public Service. This is contrary to Regulation 8(3)(4) of the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 which states that the person nominated under paragraph (2)(f)(g)(h) shall be appointed by the Cabinet Secretary. The President shall appoint one of the members appointed under this regulation to be the chairperson of the Board. Further, the Oversight Board passed resolutions affecting the operations of the Fund during four (4) different Board meetings attended by three (3) board members

contrary Section 8(8) the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 which states that the quorum for the conduct of meetings of the Board shall be four members. In addition five (5) Oversight Board minutes for the meetings held during the year were not signed.

In the circumstances, the Management was in breach of the law and the efficiency and effectiveness of governance systems could not be confirmed.

2. Failure to Appoint a Substantive Chief Executive Officer

Review of the Fund's financial statements for the year ended 30 June, 2022 submitted to the Office of the Auditor-General and personnel records revealed that, the fund was headed by an Acting Chief Executive Officer since 12 February, 2019. This is contrary to Regulation 12(1)(2) of the Public Finance Management (Sports, Arts and Social Development) Regulations, 2018 which state that there shall be a secretariat of the Fund which shall consist of a Chief Executive Officer and such other staff of as are necessary for the proper discharge of the functions of the Fund. The Chief Executive Officer and other staff of the Secretariat shall be appointed competitively in consultation with the Public Service Commission.

In the circumstances, Management was in breach of the law.

3. Lack of Internal Audit Function and an Audit Committee

The Fund has not established an internal audit function and an Audit Committee of the Board. This is contrary to Section 73(1) and (5) of the Public Finance Management Act, 2012 which provides for the establishment of the internal audit function and an Audit Committee. As such the Fund did not benefit from the assurance and advisory services from the internal audit function as well as oversight from the Audit Committee.

In the circumstances, Management was in breach of the law.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Oversight Board

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

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

sustainability of services and using applicable basis of accounting unless Management is aware of the intention to abolish the Fund or cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 Fund policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the accrual basis of accounting method under International Public Sector Accounting Standards and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund'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 Fund 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 Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 February, 2023


SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.


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


	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Government Grants	6	257,440,000	214,000,000
Betting & Lotteries Tax, Income tax and Excise Duty Tax	7	13,454,888,486	6,793,907,917
Public contributions and donations	8	15,422,865	-
Finance Income	14	16,501,735	2,920,274
Other Income	15	517,300	4,000
Total revenue		13,744,770,386	7,010,832,191
Expenses			
Use of goods and services	16	4,080,503	2,918,096
General Administrative Expenses	17	120,733,096	100,904,963
Employee costs	18	54,640,965	69,276,577
Remuneration to Oversight Board	19	4,774,000	5,922,174
Depreciation and amortization expense	20	9,914,864	12,019,919
Repairs and maintenance	21	4,516,079	6,579,305
Contracted services	22	5,002,500	2,805,200
Transfers to Government implementing Agencies and Sports Organizations	23	13,786,295,836	8,986,829,006
Total expenses		13,989,957,843	9,187,255,240
Deficit for the period		(245,187,457)	(2,176,423,049)
Taxation		-	-
Deficit for the year		(245,187,457)	(2,176,423,049)
Net Surplus for the year			
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling the Fund		(245,187,457)	(2,176,423,049)
		(245,187,457)	(2,176,423,049)

The Notes to the financial statements set out on pages 28 to 34 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 7 were signed on behalf of the Oversight Board by:


Chairperson, Oversight Board
 Name: Lt. Gen (Rtd.) Jackson Tuwei


Fund Administrator
 Name: Mark Wambugu


Manager, Finance & Accounts
 Name Dr. J. Aiyabei
 ICPAK No: 8208

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

14 Statement of Financial Position as at 30 June 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	29	1,304,437,854	2,191,958,230
Receivables from non-exchange transactions	30	51,727,177	61,531,932
Total Current Assets		1,356,165,031	2,253,490,162
Non-Current Assets			
Property, plant and equipment	33	1,654,178,414	1,014,101,781
Total Non- Current Assets		1,654,178,414	1,014,101,781
Total Assets		3,010,343,445	3,267,591,943
Liabilities			
Current Liabilities			
Trade and other payables	36	95,128,985	107,190,026
Total Current Liabilities		95,128,985	107,190,026
Total Liabilities		95,128,985	107,190,026
Net assets			
Reserves		(245,187,457)	(2,176,423,049)
Accumulated surplus		3,140,401,917	5,316,824,966
Prior year Adjustments		-	-
Capital Fund		20,000,000	20,000,000
Total Net Assets		3,010,343,445	3,267,591,943

The financial statements set out on pages 1 to 7 were signed on behalf of the Oversight Board by:



Chairperson, Oversight Board
 Name: Lt. Gen (Rtd.) Jackson Tuwei



Fund Administrator
 Name: Mark Wambugu



Manager, Finance & Accounts
 Name Dr. J. Aiyabei
 ICPAK No: 8208

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

	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2020	-	-	-	5,316,824,966	-	20,000,000	5,336,824,966
Surplus/ deficit for the year	-	-	-	(2,176,423,049)	-	-	(2,176,423,049)
As at June 30, 2021	-	-	-	3,140,401,917	-	20,000,000	3,160,401,917
As at July 1, 2021	-	-	-	3,140,401,917	-	20,000,000	3,160,401,917
Surplus/ deficit for the year	-	-	-	(245,187,457)	-	-	(245,187,457)
As at June 30, 2022	-	-	-	2,895,214,460	-	20,000,000	2,915,214,460

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Report and Financial Statements
for the year ended June 30, 2022.

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

		2021-2022	2020-2021
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Government Grants	6	257,440,000	214,000,000
Betting & Lotteries Tax, Income tax and Excise Duty Tax	7	13,454,888,486	6,793,907,917
Public contributions and donations	8	15,422,865	-
Finance Income	14	16,501,735	2,920,274
Other Income	15	517,300	4,000
Total Receipts		13,744,770,386	7,010,832,191
Payments			
Use of goods and services	16	4,080,503	2,918,096
General Administrative Expenses	17	120,733,096	100,904,963
Employee costs	18	54,640,965	69,276,577
Remuneration to Oversight Board	19	4,774,000	5,922,174
Repairs and maintenance	21	4,516,079	6,579,305
Contracted services	22	5,002,500	2,805,200
Transfers to Government implementing Agencies and Sports Organizations	23	13,786,295,836	8,986,829,006
Total payments		13,980,042,979	9,175,235,321
Net cash flows from/(used in) operating activities		(235,272,593)	(2,164,403,130)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	33	(649,991,496)	(951,107,179)
Decrease(increase) in non- current receivables	30	9,804,755	798,074,991
Increase(Decrease in Payables)	36	(12,061,042)	55,068,685
Net cash flows from/(used in) investing activities		(652,247,783)	(97,963,503)
Net increase/(decrease) in cash and cash equivalents		(887,520,376)	(2,262,366,633)
Cash and cash equivalents at 1 July	29	2,191,958,230	4,454,324,863
Cash and cash equivalents at 30th June	29	1,304,437,854	2,191,958,230

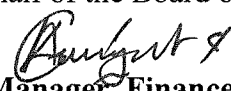
The financial statements set out on pages 1 to 7 were signed on behalf of the Board of Directors by:


Chairperson, Oversight Board

Name: Lt. Gen (Rtd.) Jackson Tuwei


Fund Administrator

Name: Mark Wambugu


Manager, Finance & Accounts

Name Dr. J. Aiyabei

ICPAK No: 8208

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

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

	Original budget Kshs	Adjustments Kshs	Final budget Kshs	Actual on comparable basis Kshs	Performance difference Kshs	% of utilization
	A	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Government Grants & Subsidies	236,000,000	21,440,000	257,440,000	257,440,000	0	0%
Betting & Lotteries tax, Income Tax and Excise Duty Tax	15,000,000,000	-	15,000,000,000	13,454,888,486	1,545,111,514	90%
Finance income	-	-	-	16,501,735	(16,501,735)	0%
Public Contributions and Donations	-	-	-	15,422,865	(15,422,865)	0%
Other income	-	-	-	517,300	(517,300)	0%
Total income	15,236,000,000	21,440,000	15,257,440,000	13,744,770,386	1,512,669,614	10%
Expenses						
Use of goods and services	1,353,135	-	1,353,135	4,080,503	(2,727,368)	302%
Employee costs	92,742,955	-	92,742,955	54,640,965	38,101,994	59%
Remuneration to Oversight Board	24,928,983	-	24,928,983	4,774,000	20,151,983	19%
Repairs and maintenance	5,574,000	-	5,574,000	4,516,079	1,057,921	81%
Contracted services	4,300,000	-	4,300,000	5,002,500	(702,500)	116%
General Administration Expenses	102,700,927	21,440,000	124,140,927	120,733,096	3,407,831	97%
Transfers & Disbursement's to Government Implementing Agencies and Sports Federations	13,915,099,564		13,915,099,564	13,786,295,836	128,803,728	99%

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

	Original budget Kshs	Adjustments Kshs	Final budget Kshs	Actual on comparable basis Kshs	Performance difference Kshs	% of utilization
Total expenditure	14,146,699,564	21,440,000	14,168,139,564	13,980,042,979	188,096,585	99%
Surplus/Deficit for the period	1,089,300,436	-	1,089,300,436	(235,272,593)	1,324,573,029	(15)%
Capital Expenditure	1,078,123,813	-	1,078,123,813	649,991,496	428,132,317	60%

Budget Performance notes:

Betting & Lotteries tax, Income Tax and Excise Duty Tax 90%

The original budget projections for FY 2021/22 was Kshs 15 billion whereas the actual collection was Kshs 13.4 billion which is 90% collection of the projected revenue. This was occasioned by the after effects of the Covid pandemic which reduced the disposable income for residents leading to reduction in betting and lotteries activities.

Finance income

The Fund realized interest income of Kshs 16.5 Million which was not in the original budget. As part of prudent financial management, the Fund placed funds which were not immediately required for its purposes in a call account earning the aforementioned interest.

Public Contributions and Donations

Section 4 (1e) of the PFM (Sports Arts and Social Development Regulations) 2018 provides that Fund's proceeds shall consist of grants and donations. The Fund received donations of Kshs 12.2 million from Kurume Chamber of Commerce and Kshs 3.2 million from international cricket council.

Use of goods and services 302%

The original budget was overspent as a result of purchase of personal protective equipment, cleaning and fumigation services to mitigate against the spread of Covid 19 based on the recommendations of the Ministry of Health.

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

Employee costs 59%

The employee cost was underspent by 41%. The Fund had anticipated to recruit staff, implement the approved salary structures and pay salary arrears as per the SRC guidelines and staff establishment. This was not achieved during the year under review however, the Fund is in the advanced stage of implementation of the said guidelines.

Contracted services 116%

The Fund hired a consultant to carry out training of SASDF beneficiaries on Fund application and reporting requirements which is a core mandate of the Fund. However, the cost of this service exceeded the budgeted amount by 16% which as a result of general increase of prices and services in the market

Capital Expenditure 60%

Included in the capital expenditure is a budgeted amount of Kshs 1,073,723,313. This is part of the transfers to government implementing agencies for Legal fees of Kshs 17,550,000 and Kshs 1,056,173,813 for the completion of SASDF Plaza. For the year under review, the Fund spent Kshs 647 million on project. The project works is ongoing and payments are made based on certificate approved by the State department of Public works.

Transfers & Disbursement's to Government Implementing Agencies and Sports Federations 99%

The Fund disbursed Kshs 13.9 B to government implementing agencies and eligible sports organizations as per its mandate.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

18. Notes to the Financial Statements

1. General Information

Sports Arts and Social Development Fund is established by and derives its authority and accountability from Legal Notice No. 194, the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018.

SASDF is wholly owned by the Government of Kenya and is domiciled in Kenya. SASDF's principal activity is to provide funding to support the development and promotion of sports, arts, and the promotion of social development including universal health care.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying SASDF's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

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

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 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:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between Fund’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Standard	Effective date and impact:
	<p>(a) The nature of such social benefits provided by SASDF.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on SASDF's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p>(The is not applicable to the Fund)</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.
<p>IPSAS 43</p>	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that</p>

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Standard	Effective date and impact:
	<p>faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

iii. Early adoption of standards

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

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

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

Rendering of services

The is not applicable to the Sports Arts and Social Development Fund.

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 SASDF.

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.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

ii) Revenue from exchange transactions

The is not applicable to the Sports Arts and Social Development Fund

b) Budget information

The original budget for FY 2021-2022 was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals by the Oversight Board. The additional appropriations are added to the original budget by SASDF upon receiving the respective approvals in order to conclude the final budget. Accordingly, SASDF did not record any additional appropriations on the 2021-2022 budget.

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

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 17 of these financial statements.

c) Taxes

The is not applicable to the Sports Arts and Social Development Fund

d) Investment property

This is not applicable to the Sports Arts and Social Development Fund

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Property, plant and equipment

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

Depreciation is calculated on reducing balance basis to write down the cost of each asset to their reducing balance over their estimated useful life as follows:

Motor vehicle	25.0%
Plant & Equipment	12.5%
Office Equipment	12.5%
Computers	30.0%
Furniture	12.5%
Building	2.0%

Equipment, furniture and fittings are periodically reviewed for impairment where the carrying amount of an asset is greater than estimated recoverable amount it is written down immediately to its carrying amount.

Gain and losses on disposal of equipment furniture and fittings are determined by reference to their carrying amount and are considered in determining the surplus or deficit for the year.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

f) Leases

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

The is not applicable to the Sports Arts and Social Development Fund.

h) Research and development costs

This is not applicable to the Sports Arts and Social Development Fund.

i) Financial instruments

a) Financial assets

This is not applicable to the Sports Arts and Social Development Fund

b) Financial liabilities

This is not applicable to the Sports Arts and Social Development Fund.

j) Inventories

This is not applicable to the Sports Arts and Social Development Fund.

k) Provisions

The is not applicable to the Sports Arts and Social Development Fund.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

l) Contingent liabilities

The is not applicable to the Sports Arts and Social Development Fund.

m) Contingent assets

The is not applicable to the Sports Arts and Social Development Fund.

n) Nature and purpose of reserves

SASDF creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

SASDF 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

SASDF provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

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.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) Borrowing costs

The is not applicable to the Sports Arts and Social Development Fund.

s) Related parties

The Fund 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 SASDF, or vice versa. Members of key management are regarded as related parties and comprise the Chief Executive Officer, directors, and managers.

t) Service concession arrangements

This is not applicable to the Sports Arts and Social Development Fund.

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.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of SASDF'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. SASDF 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 SASDF. 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 SASDF.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

6. Transfers from Other Government entities

Description	2021-2022	2020-2021
	KShs	KShs
Unconditional Grants		
Government Recurrent Grants	257,440,000	214,000,000
Total Unconditional Grants	257,440,000	214,000,000
Total Government Grants And Subsidies	257,440,000	214,000,000

The Fund receives its operational budget from the exchequer that is appropriated by the National assembly annually.

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

Name Of The Entity Sending The Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total transfers 2021-22	Prior year 2020-2021
	KShs	KShs	KShs	KShs	KShs
State Department of Sports	257,440,000	-	-	257,440,000	214,000,000
Total	257,440,000	-	-	257,440,000	214,000,000

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

7. Betting and Lotteries Tax, Income tax and Excise duty Tax

Description	2021-2022	2020-2021
	Kshs	Kshs
Proceeds from Betting & Lotteries tax, income tax and excise duty tax	13,454,888,486	6,793,907,917
Total	13,454,888,486	6,793,907,917

The Legal Notice No. 194 of the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 provide that the Funds revenue shall consist of;

- a) All proceeds required to be paid into the Fund under section 69(A) of the Betting, Lotteries and Gaming Act,
- b) All proceeds required to be paid into the Fund under section 35(5A) of the Income Tax Act
- c) All proceeds required to be paid into the Fund under section 36(5) of the Excise Duty Act, 2015
- d) Such other moneys as may be appropriated by the National assembly

8. Public Contributions and Donations

Description	2021-2022	2020-2021
	Kshs	Kshs
Kurume Chambers of Commerce	12,269,400	-
International Cricket Council	3,153,465	-
Total transfers and sponsorships	15,422,865	-
Reconciliation of public contributions and donations		
Balance unspent at beginning of the year	-	-
Current year receipts	15,422,865	
Conditions met - transferred to revenue	-	-
Conditions to be met - remain liabilities	-	-

Section 4 (1e) of the PFM Regulations 2018 provides that the Fund receives grants and donations. The Fund received donations from Kurume Chambers of Commerce of Kshs 12,269,400 which was hosting team Kenya training camp for the 2020 Tokyo Olympic games. Further, the Fund received Kshs 3,153,465 from the International Cricket Council which was to assist the cricket caretaker committee to meet its operational expenses.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

9. Property Taxes Revenue

This is not applicable to the Sports Arts and Social Development Fund.

10. Licenses, Fees and Permits

This is not applicable to the Sports Arts and Social Development Fund

11. Rendering Of Services

This is not applicable to the Sports Arts and Social Development Fund.

12. Sale of Goods

This is not applicable to the Sports Arts and Social Development Fund.

13. Rental Revenue from Facilities and Equipment

This is not applicable to the Sports Arts and Social Development Fund.

14. Finance Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest Income from call account	16,501,735	2,920,274
Total finance income	16,501,735	2,920,274

As part of prudent financial management, the Fund placed funds in a call account which earned interest income of **Kshs 16,501,735** That had not been planned for during budgeting.

15. Other Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance compensation for motor vehicle	517,300	-
Sasdf Plaza Tender Application fees	-	4,000
Total finance income	517,300	4,000

16. Use of Goods and Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Electricity & Other Utilities	448,717	424,594
Cleaning Services	2,835,167	1,860,759
Security	596,019	520,043
Professional Subscriptions	200,600	112,700
Total Use of Goods and Services	4,080,503	2,918,096

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

17. General and Administrative Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Advertising	1,478,100	7,830,265
Audit fees	-	1,300,00
Bank Charges	832,762	947,510
Conferences and delegations	-	676,545
Office Consumables	3,716,655	354,241
Computer Accessories	7,562,055	5,043,671
Development of Fund Policy documents	14,004,000	13,287,300
Fuel and Oil	7,931,552	4,718,988
Motor Vehicle Insurance	2,332,261	299,685
Newspapers and Periodicals	339,308	369,059
Publishing and Printing	485,000	100,219
Hospitality & Entertainment	1,951,825	2,457,224
Staff Medical	14,240,757	14,088,185
Monitoring & Evaluation Costs	30,181,020	18,358,950
Office Stationery	3,169,673	298,337
Office Rental Costs	12,408,702	11,890,326
Telephone & Internet Costs	1,313,655	1,092,800
Training Costs	6,412,350	5,246,020
Travel, Accommodation , subsistence and other allowances	11,904,980	12,231,638
Legal fees	14,000	14,000
Corporate Social Responsibility	-	300,000
Land Rates	86,140	-
Pension Administration Costs	368,301	-
Total Use of Goods and Services	120,733,096	100,904,964

This note has been introduced as it is not provided for in the Annual IPSAS accrual template for SAGAs June 2022. This relates to general administrative expenses.

18. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	48,148,485	48,865,766
Employers Contribution to Pension Schemes	6,030,980	19,990,811
Wages Contracted Staff	461,500	420,000
Employee costs	54,640,965	69,276,577

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

19. Remuneration to Oversight Board

Description	2021-2022	2020-2021
	Kshs	Kshs
Chairman Honoraria	400,000	960,000
Sitting Allowances	1,240,000	520,000
Other Allowances	3,134,000	4,442,174
Total	4,774,000	5,922,174

20. Depreciation and Amortization Expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	9,914,864	12,019,919
Total depreciation and amortization	9,914,864	12,019,919

21. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Equipment and Machinery	383,573	117,395
Motor Vehicles	3,621,431	6,323,610
Furniture and Fittings	-	-
Computers and accessories	275,650	38,300
Office Repairs	235,425	100,00
Total Repairs and Maintenance	4,516,079	6,579,305

22. Contracted Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Consultancy Fees	5,002,500	2,805,200
Total Contracted Services	5,002,500	2,805,200

23. Transfer to Government Implementing Agencies and Sports Organisations

Description	2021-2022	2020-2021
	Kshs	Kshs
Promotion and Development of Sports	10,605,595,467	6,946,550,168
Social Development Including Universal Health	2,266,226,520	1,756,080,820
Promotion and Development of Arts	914,473,849	218,098,442
Monitoring and Evaluation Costs	-	66,099,576
Total transfers to government implementing agencies and sports organisations	13,786,295,836	8,986,829,006

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

24. Finance Costs

This is not applicable to the Sports Arts and Social Development Fund.

25. Gain on Sale of Assets

This is not applicable to the Sports Arts and Social Development Fund.

26. Unrealized Gain on Fair Value Investments

This is not applicable to the Sports Arts and Social Development Fund.

27. Impairment Loss

This is not applicable to the Sports Arts and Social Development Fund.

28. Taxation

This is not applicable to the Sports Arts and Social Development Fund.

29. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	1,237,379,267	2,182,584,086
On - Call Deposits	67,006,017	9,000,000
Petty Cash	52,570	374,144
Total Cash And Cash Equivalentents	1,304,437,854	2,191,958,230

29 (a) Detailed Analysis of the Cash and Cash Equivalentents

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current Account			
Central Bank of Kenya	1000404868	91,034,904	35,399,965
Central Bank of Kenya	1000404671	24,974,300	2,094,057,992
Central Bank of Kenya	1000404892	22,222	22,222
Co-operative Bank of Kenya	01141174153400	124,041,749	9,578,046
Co-operative Bank of Kenya	01141174153401	997,306,092	43,525,861
Sub- Total		1,237,379,267	2,182,584,086
b) On - Call Deposits			
Co-Operative Bank Of Kenya	01150174153401	9,000,000	9,000,000
Co-operative Bank of Kenya	01150174153403	58,006,017	-
Sub- Total		67,006,017	9,000,000
c) Others			
Cash In Hand		52,570	374,144
Sub- Total		52,570	374,144
Grand Total		1,304,437,854	2,191,958,230

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

29 Receivables from Exchange Transactions

This is not applicable to the Sports Arts and Social Development Fund.

29 (a) Receivables from Exchange Transactions (Current)

This is not applicable to the Sports Arts and Social Development Fund.

29 (b) Receivables from Exchange Transactions (Long-term)

This is not applicable to the Sports Arts and Social Development Fund.

29 (c) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

This is not applicable to the Sports Arts and Social Development Fund.

30 Receivables from Non-Exchange Transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Prepaid Fuel	596,052	596,052
Staff Salary Advances	351,631	278,718
Receivable from State Department of Sports	33,476,573	55,973,623
Receivable from Toyota Kenya	955,060	955,060
Interest Income Receivable	13,936,365	-
Staff Imprests	2,111,496	3,428,479
Motor vehicle Maintenance deposit	300,000	300,000
Total current receivables	51,727,177	61,531,932

30 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

This is not applicable to the Sports Arts and Social Development Fund.

31 Inventories

This is not applicable to the Sports Arts and Social Development Fund.

32 Investments

This is not applicable to the Sports Arts and Social Development Fund.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

33 Property, Plant and Equipment

	Land		Buildings		Motor vehicles		Furniture and fittings		Computers		Other Assets (Office Equipment)		Capital Work in progress		Total		
	Kshs		Kshs		Kshs		Kshs		Kshs		Kshs		Kshs		Kshs		
Cost																	
As 1 st July 2020	-	-	-	-	54,438,440	-	349,500	-	3,560,228	-	3,140,250	-	28,640,000	-	90,128,418	-	
Additions	-	-	-	-	-	-	-	-	2,180,000	-	234,970	-	948,692,209	-	951,107,179	-	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As At 30th June 2021	-	-	-	-	54,438,440	-	349,500	-	5,740,228	-	3,375,220	-	977,332,209	-	1,041,235,597	-	
Additions	-	-	-	-	-	-	648,597	-	2,763,500	-	68,000	-	646,511,399	-	649,991,496	-	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As At 30th June 2022	-	-	-	-	54,438,440	-	998,097	-	8,503,728	-	3,443,220	-	1,623,843,608	-	1,691,227,093	-	
Depreciation And Impairment																	
At 1 July 2020	-	-	-	-	13,609,610	-	43,688	-	1,068,068	-	392,531	-	-	-	15,113,897	-	
Depreciation	-	-	-	-	10,207,208	-	38,227	-	1,401,648	-	372,836	-	-	-	12,019,919	-	
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As At 30 June 2021	-	-	-	-	23,816,818	-	81,915	-	2,469,716	-	765,367	-	-	-	27,133,816	-	
Depreciation	-	-	-	-	7,655,406	-	114,523	-	1,810,203	-	334,732	-	-	-	9,914,864	-	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Other Assets (Office Equipment)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2022	-	-	31,472,224	196,438	4,279,919	1,100,099	-	37,048,680
Net Book Values								
As At 30 th June 2021	-	-	22,966,216	801,659	4,223,809	2,343,121	1,623,843,608	1,654,178,413
As At 30 th June 2022	-	-	30,621,622	267,585	3,270,512	2,609,853	977,332,209	1,014,101,781

The Work in progress of Kshs 28.6M relates to accrued ERP expense that was being implemented during the FY 2021/2022. The implementation of the same is expected to be completed in the FY 2022/2023.

The Capital work in progress of Kshs 948M in FY 2021/2022 and Kshs 646.59M in FY 2021/2022 relates to purchase of NOCK Plaza which was a presidential directive. The Fund acquired SASDF Plaza in FY 2020/2021. The project works is ongoing as scheduled and is projected to be completed in FY 2022/2023. The payments in FY 2021/2022 relates to Interim certificates No 1 to 5 of works that have been certified by Public works.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Valuation

No valuation of Property, plant and equipment was conducted during the year under review.

33 (b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Motor vehicles, including motorcycles	54,438,440	31,472,224	22,966,216
Computers and related equipment	8,503,728	4,279,919	4,223,809
Office equipment	3,443,220	1,100,099	2,343,121
Office Furniture and Fittings	998,097	196,438	801,659
Sub Total	67,383,485	37,048,680	30,334,805

34 Intangible Assets

This is not applicable to the Sports Arts and Social Development Fund.

35 Investment Property

This is not applicable to the Sports Arts and Social Development Fund.

36 Trade and Other Payables

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	94,799,614	106,860,658
Employee Payables	329,371	329,371
Total trade and other payables	95,128,985	107,190,026

37 Refundable Deposits and Prepayments from Customers

This is not applicable to the Sports Arts and Social Development Fund.

38 Current Provisions

This is not applicable to the Sports Arts and Social Development Fund.

39 Finance Lease Obligation

This is not applicable to the Sports Arts and Social Development Fund.

Notes to the Financial Statements (Continued)

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

40 Deferred Income

This is not applicable to the Sports Arts and Social Development Fund.

41 Employee Benefit Obligations

This is not applicable to the Sports Arts and Social Development Fund.

42 Non-Current Provisions

This is not applicable to the Sports Arts and Social Development Fund.

43 Borrowings

This is not applicable to the Sports Arts and Social Development Fund.

44 Service Concession Arrangements

This is not applicable to the Sports Arts and Social Development Fund.

45 Cash Generated from Operations

This is not applicable to the Sports Arts and Social Development Fund.

46 Financial Risk Management

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

i) Credit risk

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

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing SASDF'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				
Receivables from exchange transactions				
Receivables from non-exchange transactions	51,727,177	49,615,681	2,111,496	-
Bank balances	1,304,437,854	1,304,437,854	-	-
Total	1,356,165,031	1,354,053,535	2,111,496	
As at 30 June 2021				
Receivables from exchange transactions			-	-
Receivables from non-exchange transactions	61,531,932	61,531,932	-	-
Bank balances	2,182,584,086	2,182,584,086	-	-
Total	2,244,116,018	2,244,116,018	-	-

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 SASDF has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Oversight Board sets SASDF's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Financial Risk Management

ii) Liquidity risk management

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

The table below represents cash flows payable by the Fund 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	33,329,195	13,295,723	48,504,067	95,128,985
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	33,329,195	13,295,723	48,504,067	95,128,985
As at 30 June 2021				
Trade payables	82,106,263	-	25,083,763	107,190,026
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	82,106,263	-	25,083,763	107,190,026

iii) Market risk

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect SASDF'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. The Fund is in the process of developing its risk management framework. There has been no change to SASDF's exposure to market risks or the manner in which it manages and measures the risk.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

Financial Risk Management

a) Foreign currency risk

This is not applicable to the Sports Arts and Social Development Fund.

b) Interest rate risk

This is not applicable to the Sports Arts and Social Development Fund.

iv) Capital Risk Management

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

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings	2,895,214,460	3,140,401,917
Capital Reserve	20,000,000	20,000,000
Total Funds	2,915,214,460	3,160,401,917
Total Borrowings		-
Less: Cash And Bank Balances	1,372,417,954	2,191,958,230
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	-	-

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

47 Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Ministry of Sports and Heritage

The Ministry of Sports and Heritage is the parent ministry.

Oversight Board

Part III of Legal Notice no. 194 States that there shall be a Board established to be known as the Sports, Arts and Social Development Oversight Board that approves all disbursements of the Fund.

Chief Executive Officer

The Public Finance Management (Sports Arts and Social Development Fund) 2018 provides that there shall be a secretariat of the Fund which shall consist of the Chief Executive officer who shall be subject to the direction of the administrator and shall be responsible for the day to day operations of the Fund.

Directors

The Fund has directorates that are headed by Directors. The Directors are the senior management of the Fund.

Sports Organisations, Sports persons and Government Implementing agencies

The Public Finance Management (Sports Arts and Social Development Fund) 2018 section 13 (a) provides that the above mentioned shall be eligible for funding.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

48 Segment Information

This is not applicable to the Sports Arts and Social Development Fund.

49 Contingent Assets and Contingent Liabilities

This is not applicable to the Sports Arts and Social Development Fund.

50 Capital Commitments

This is not applicable to the Sports Arts and Social Development Fund.

51 Surplus Remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. SASDF did not make any surplus during the year (FY 2021/2022 Nil) and hence no remittance to the Consolidated Fund.

52 Taxation

This is not applicable to the Sports Arts and Social Development Fund.

53 Deferred Tax Liability

This is not applicable to the Sports Arts and Social Development Fund.

54 Events after the Reporting Period

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

55 Ultimate And Holding Entity

The Sports Arts and Social Development Fund is a Semi- Autonomous Government Agency under the Ministry of Sports and Heritage. Its ultimate parent is the Government of Kenya.

56 Currency

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

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

19. Appendices

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Un supported disbursements to various federations	In respect of the unsupported disbursements to federations, the Fund receives returns, bills of quantities, governing body minutes, designs, approved plans and monitoring and evaluation reports from the beneficiaries. Out of the disbursements of Kshs. 8,986,829,006, the returns totalling to Kshs 993,547,423 had not been received by the Fund from beneficiary institution as at time of the audit. During the year under review the Fund has wrote to the concerned federations to submit the returns. Some of the returns have since been received from the federations.	Resolved	
2.	Irregular procurement of air Tickets for Members of Parliament by World Under 20 Championship	In respect to transfers to Sports organizations, an amount totalling to Kshs. 1,176,695 incurred by the World under 20 Championship was paid to a travelling agent for procurement of return air ticket to Mombasa for parliamentary committee retreat. It had not been explained why the management of World Under 20 procured return air tickets for members of	Resolved	

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>parliament yet their expenses are funded by the Parliamentary Service Commission. Further, there were no boarding passes, attendance register and back to office report to confirm that the retreat had taken place.</p> <p>The Fund has since forwarded the query to the World Under 20 Championship that is a gazetted LOC committee required to prepare annual financial statements for audit by the office of the auditor general. The query therefore should be handled by the World Under 20 Championship LOC committee.</p>		
3.	Un-Confirmed Expenditure on Social Development including Universal Health	In respect of the transfers to social development including Universal Health care, is an amount of Kshs.1, 756,080,820 (Kshs. 7,114,118,000; 2020) which was approved and disbursed to the Ministry of Health (MOH) as a Government implementing Agency. Then, no evidence had been provided to confirm Kshs. 1,014,499,300, funds that were unutilized as at 30 th June 2021 had been returned to the Fund in line with Legal Notice No.194 (25 October, 2018) Section15(3).	Resolved	

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved /Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		The quarterly and annual progress reports from the Social Development Including Universal Health (MOH) were submitted to the Fund and provided for audit review. The Fund receives progress reports for all funded projects and programs including those funded under Social Development Including Universal Health. The progress report indicated that the Kshs. 1,014,499,300 had been committed by the Ministry of Health.		
4.	Un-Surrendered Imprests- World Rally Championship (WRC) Safari Rally	The examination of imprest register maintained by WRC had shown that imprests issued to 9 officers totalling to Kshs. 17,126,719 had not been surrendered as at 30 June, 2021. The query has since been forwarded to the World Rally Championship Project (WRC) for their response.	Resolved	
5.	<u>Other Matter</u> Excess transfers to government implementing agencies and sports organizations	In respect of the disbursements towards promotion and development of sports, there was a transfer of Kshs 6,946,550,168 that exceeded the 35% threshold as provided for under PFM Sports Arts and Social Development Fund) Regulation, 2018. This was as a result of the desire by the Fund to meet its obligations to provide financial support to its priority projects,	Resolved	

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>programs and activities during the financial year in light of its reduced revenues. As a result of the above, the Oversight Board temporarily suspended the Apportionment provided for in the Legal Notice No 194 as per Board resolution.</p> <p>Further, in respect of the excess transfer of 102%, the additional expenditure of 2% beyond collected revenues for FY 2020/21 related to accruals for projects approved by the Oversight Board for funding in previous years but paid during the year. Most of the projects are still ongoing but payment is done based on Certified works from State Department of Public Works.</p>		

Guidance Notes:

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

.....


Ag. C.E.O Sports Arts and Social Development Fund

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Appendix II: Projects implemented by Sports Arts and Social Development Fund

Projects implemented by the State Corporation/ SAGA 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)
SASDF Plaza	Item No. D113/NB/NB/2001, Job No. 10824A	GOK	12 Months	GOK	N/A	YES

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Appendix III: Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
	SASDF Plaza	2.4B	1.59 B		2.4B	1.59 B	GOK

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

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	
State Department of Sports	30/09/2021	Recurrent	64,360,000	64,360,000	-	-	-	-	-
State Department of Sports	24/11/2021	Recurrent	64,360,000	64,360,000	-	-	-	-	-
State Department of Sports	01/03/2022	Recurrent	64,360,000	64,360,000	-	-	-	-	-
State Department of Sports	09/06/2022	Recurrent	64,360,000	64,360,000	-	-	-	-	-
Total			257,440,000	257,440,000	-	-	-	-	257,440,000

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Appendix V - Inter-Entity Confirmation Letter

The Fund circulated confirmation letters to beneficiary entities.

7/1/2022

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Appendix VI: Reporting of Climate Relevant Expenditures

This is not applicable to the Sports Arts and Social Development Fund.

SPORTS, ARTS AND SOCIAL DEVELOPMENT FUND
Annual Reports and Financial Statements
for the year ended June 30, 2022.

Appendix VII: Disaster Expenditure Reporting Template

This is not applicable to the Sports Arts and Social Development Fund